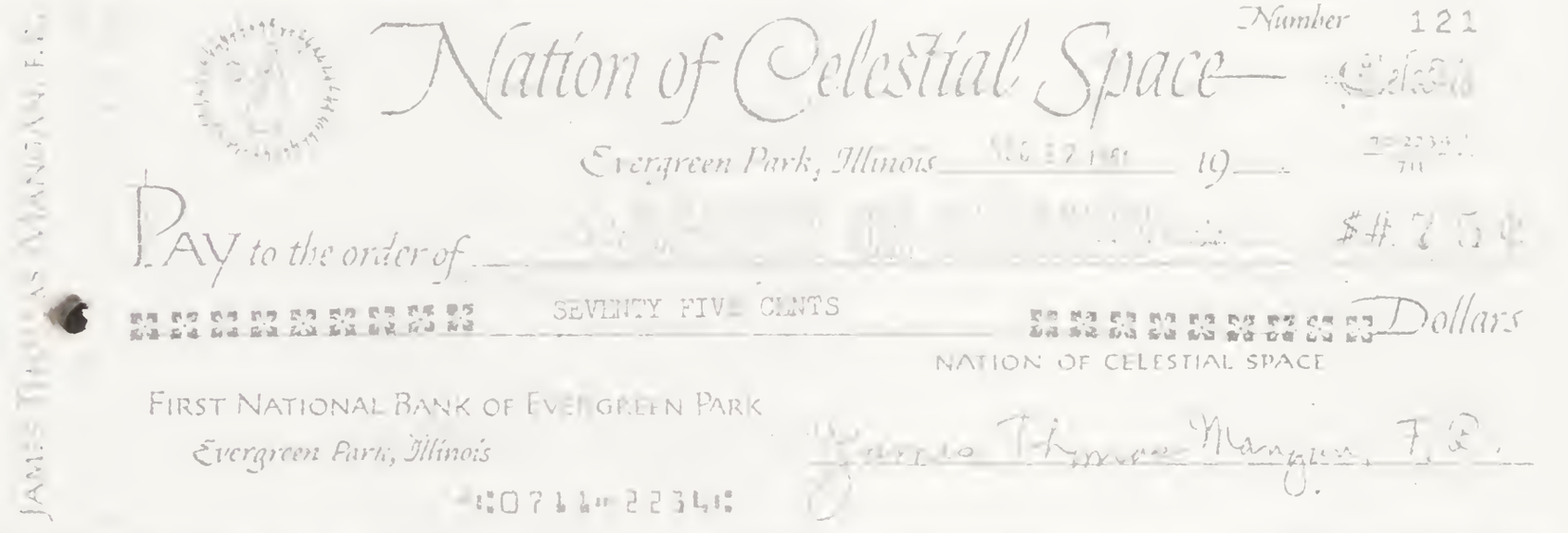
the Check List

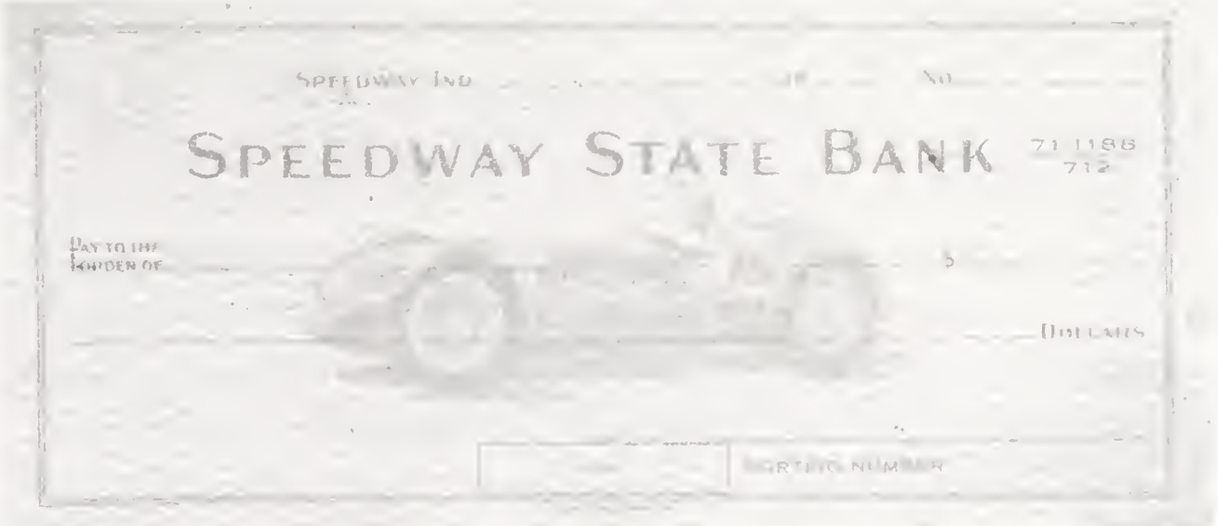
Check Collector's Round Table

Volume IV Number 4 Issue #16 October 1973
Quarterly Publication of Check Collectors Round Table

A WAY-OUT CHECK



This unusual check and the man behind it is covered in an interesting article by Don Allen beginning on page 177.



Check on the bank that took its name from the famous Indianapolis 500 mile race. Joseph Seiter tells the story on page 182.

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THE CHECK LIST IS PUBLISHED QUARTERLY BY CHECK COLLECTORS ROUND TABLE

Editor and Publisher - Robert Flaig, P.O. Box 27112, Cincinnati, Ohio 45227

Membership in CCRT is open to all responsible persons upon receipt of proper dues payment and completed application form. All matters pertaining to membership affairs and dues should be directed to the Membership Secretary in the U.S. and to Membership Representative for those in England and Europe. Dues - $6.00 per calendar year, Associate Membership is $2.00 per year. Dues outside U.S.A., $8.00 per year excepting Canada and Mexico - $6.00

The Check List is published quarterly - January 31, April 30, July 31 and October 31.

Advertising Rates for members (Prepaid) are:

	Per Issue	15% Reduction on 1 year Contracts
Full Page	$9.00	$30.60
Half Page	6.00	20.00
Quarter Page	3.00	10.20

Small ads on the Clearing House page are free - Contributions are acceptable.

Illustrated ads - $3.00 additional. Not responsible for poorly written copy. Liability for printing errors will be limited to correction in the following issue--in no case more than the cost of the ad. While all reasonable care is taken to accept only ads from responsible members, they are not guaranteed. The Check List, C.C.R.T. and the publisher assume no responsibility or liability for transactions between parties. Reprints, reproductions, fakes etc. must be clearly indicated as such. Closing date for advertising is 30 days prior to mailing date noted above.

Clippings, news items, book reviews and especially articles and research findings are always wanted and welcome.

The views expressed in material received and published or included as a supplement or original illustration, may or may not be in accord with those of this organization or publisher.

A complete membership roster will be issued as often as deemed necessary. Supplemental rosters will be included with each issue of TCL to list new members, change of address, change of collecting interests etc. Notify your editor immediately when changes take place.

- O -

Final incorporation papers have recently been filed. The newly elected officers and board will gradually take over the functions of running CCRT in order that we may have an orderly transition. In due time there will undoubtedly be changes, ammendments, and additions to the information given above, however until such time that specific action is taken by the officers and board, the above will prevail. If and when changes occur, they will be reported in future issues of TCL.

It is the duty of every good citizen to use all the opportunities, which occur to him, for preserving documents relating to the history of our country.
THOMAS JEFFERSON

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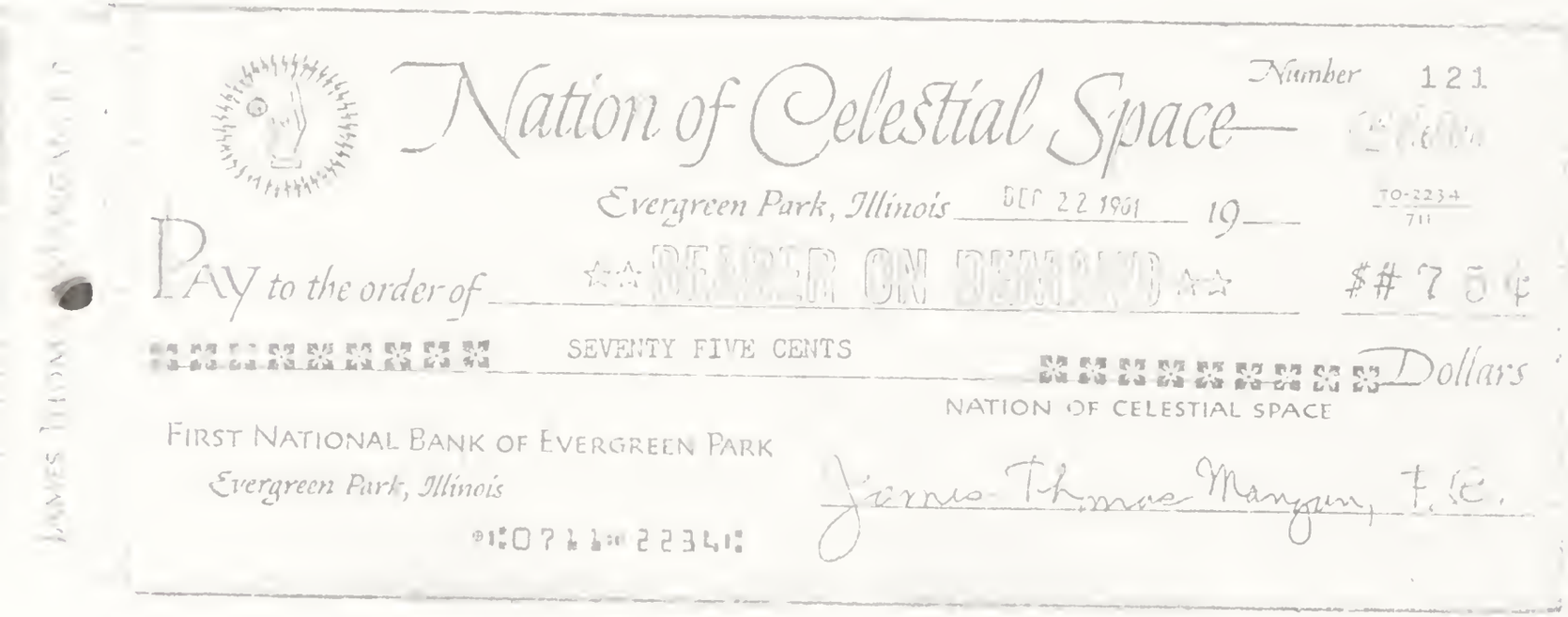
A MOST UNUSUAL CHECK

Prof. H. Don Allen (ONT #56) Nova Scotia Teachers College, Truro, Nova Scotia, Canada

"For those who would dismiss the Prime Minister of Celestia as a crackpot, it must be pointed out that he was a very successful industrial designer and public relations man. Through the years he authored fifteen books, one of which sold 400,000 copies. At the age of twelve he had produced a major invention in gyro-technology."

These words from the obituary of James Thomas Mangan who died in Oak Lawn, Illinois on July 4, 1970 (see Coins, October, 1970, p. 15) give a clue to the fascination of the most startling bank check in my collection, a bright blue 75-cent bearer check on The First National Bank of Evergreen Park, Illinois in the name of Celestia, "Nation of Celestial Space". This was the paper money produced by Mangan, self-styled prime minister of a "nation"embracing all of outer space.


Nation of Celestial Space
Number 121
Evergreen Park, Illinois DEC 22 1961 19
PAY to the order of ☆☆BEARER ON DEMAND☆☆ $#75¢
SEVENTY FIVE CENTS Dollars
NATION OF CELESTIAL SPACE
FIRST NATIONAL BANK OF EVERGREEN PARK
Evergreen Park, Illinois
Jannie Thmas Mangan, F.C.
JAMES THOMAS MANGAN

I obtained it from the gentleman (then in his 60's) in correspondence in 1961, at which time he was striking both gold and silver for his improbable nation. The Mangan obituary, which speaks well of his zealous efforts, pictures both the gold "CELESTON" and silver "ERG", but makes only passing mention of "paper money in the denomination of 75¢". There is irony here, because Mangan's futuristic paper money, backed in full by his Illinois U.S.-dollar bank account, likely had more behind it than the future fiscal paper of this and other worlds!

* * * * * * * * * * * * * *

AUTOGRAPHS

A number of our members have indicated an interest in autographs. Miss R.M. Coffey of Nashville, Indiana reports she has a personal check on Fletcher & Sharpe Bank dated July 14, 1880 signed by Benj. Harrison before he was President of the U.S.

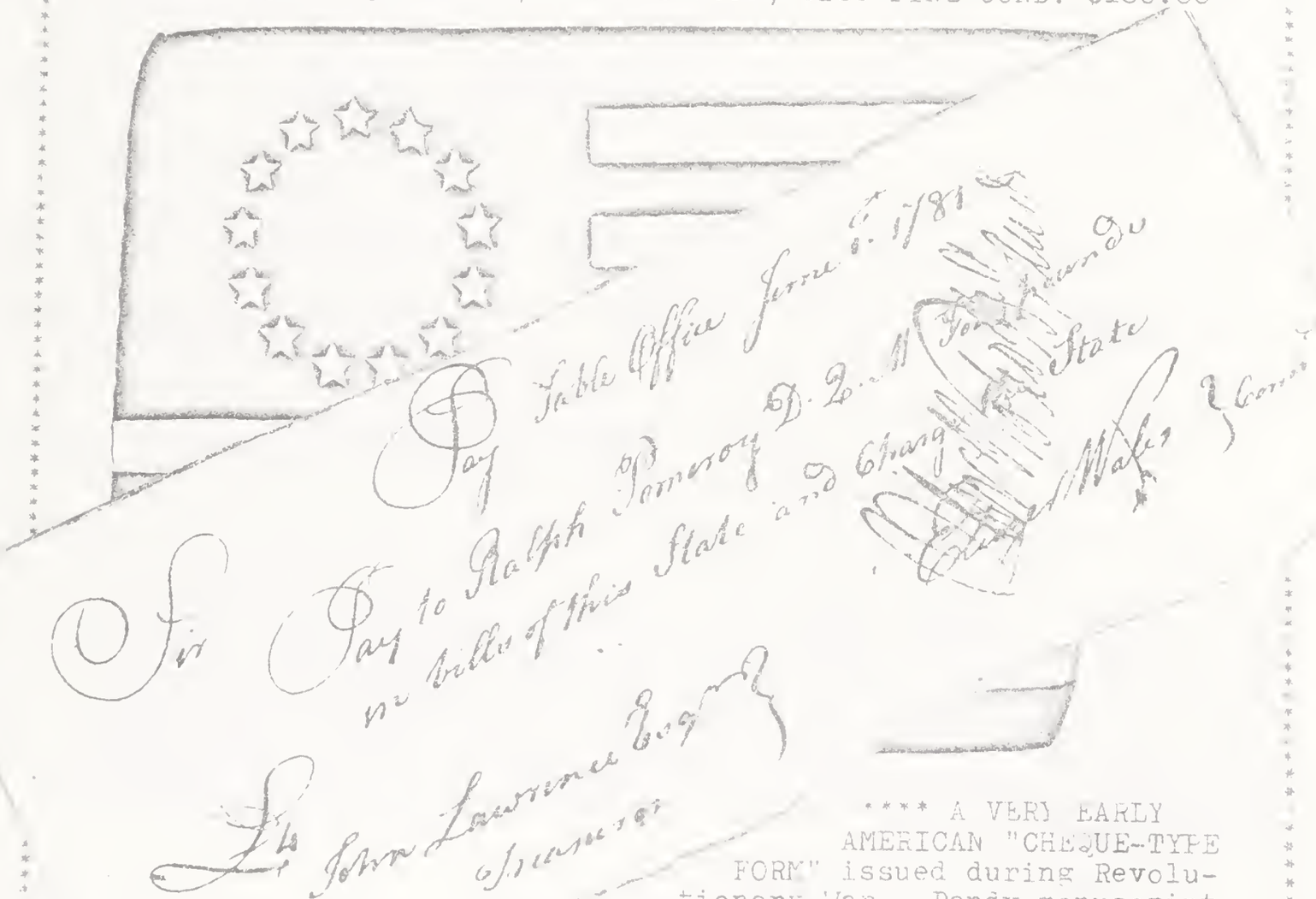
If other members have checks, notes, etc. signed by prominent persons, please tell us about them. Some background information about the person will make it more interesting. May we hear from you?

[illegible] NOTE

***** Magnificent promissory note, signed twice by Franklin D. Roosevelt, as Pres. of Georgia Warm Springs Foundation, Inc. New York, Feb. 1st, 1927. In which the Foundation promises, 10 years later, to pay the future Chief Executive $4000 "in gold coin of the United States of America of the standard of weight and and fineness existing on the date of this note, without interest. The maker of this note may at any time before maturity pay and discharge the same, by payment at said Bank of America of the principal amount thereof, without interest."

8½x3½, typewritten and also signed by D. Basil O'Connor, FDRIs longtime friend and law-partner, NY politician. Ink notation by bank cashier indicates note was paid on time, ten years later, however America had abandoned the gold standard by then! One sig. of Roosevelt is a verso endorsement.

A dandy financial item and cornerstone for any fine collection of Presidential checks or gold documents. Historic. Tiny minor marginal pinholes, trivial wear, else FINE COND. $160.00



**** A VERY EARLY AMERICAN "CHEQUE-TYPE FORM" issued during Revolutionary War. Dandy manuscript pay-order, issued by newly independent State of Conn. during War for Independence. Appealing example of emergency scrip, since Federal currency was virtually worthless by this time (1781) due to impending panic. Document is to Treasurer John Lawrence (distinguished Conn. Yankee), asking

COHASCO, INC.

14 to be paid to Continental Army Quarter-Master Ralph Pomeroy. Bears authentic sig. of OLIVR. WOLCOTT JUNR., Geo. Washington's Secretary of Treasury, founded prestigious Bank of No. America, wealthy statesman, and by patroit of Finance Committee. Perfect cheque size, 8x3½, wonderful conversation pc. for all check collections. Fine condition. WITH, highest-quality 13-star miniature Betsy Ross rayon flag, yarn-dyed silky fabric. The Two, a must, just $10.00.

COHASCO, INC. - 321 BROADWAY - NEW YORK, N.Y. 10007
212-962-0399 CCRT #148

EDITOR'S NOTES

1973 was a big year for CCRT as evidenced by our great achievement of becoming a chartered, non-profit, incorporated organization among many others. Hopefully with continued support and co-operation from all our members we'll continue to make great gains in 1974.

At Boston this past August, CCRT had its greatest attendance and a very productive meeting. I only wish I could convey the enthusiasm shown at this meeting to all our members; there was a spirit of total co-operation with many of thosepresent participating to accomplish our goal of incorporation.

Because the newly elected board had to convene at such a late hour, after their personal committments had been met at other meetings etc., the first Board of Directors meeting was confined to only the absolutely necessary action of selecting officers. There are of course many areas that need discussion and eventually further action by the board. Elected as president, by the kind action of those present at this meeting, I have since sent all board members what might be termed a "working sheet" listing questions or areas that need further discussion. This I had intended to follow up with further co munications to the board members when Jeane became seriously ill. This specific area of communication with the board members will now be reactivated.

Our total incorporation procedure, which was finalized at Boston, was accomplished via the mails with little previous history to base our now current by-laws on. I believe we now have a good basic set of standards to efficiently run CCRT. Undoubtedly in time ,as future conditions or situations dictate, it will be necessary to make some changes or additions. We needed a "beginning" that would furnish us the platform on which to start; for this we are indebted to members R. Duphorne and Arthur Curths who also formulated the final version of Articles of Incorporation and By-Laws and who took the necessary time to file them under the State Laws of New Mexico.

The full listing of CCRT board members and officers will be found elsewhere in this issue. For matters pertaining to their specific area of responsibility please contact that person directly; it will save time, additional postage and extra correspondence. All officers are functioning in their designated offices at this time.

As in the past, the dues and statement form should be sent to our Membership Secretary (Larry Adams - US & Vincent Pearson - England & Europe), not to Jon Cook our Treasurer so that we may continue

(Cont'd. next page)

our same line of communication.

I sincerely hope you will continue to want to take an active part in CCRT during 1974. If you have not already sent in your dues for this year (dues statement was mailed with last auction listing), won't you take a moment to do it now? As most of you know, our yearly dues "barely" takes us through the year and this one is no exception. It is most difficult to plan ahead without the renewal of yearly dues at this time. Your co-operation will be appreciated.

It is unfortunate that shortly after gaining our success of incorporation and having many additional "irons in the fire", things had to come to a halt for a goodly number of weeks due to the serious illness of my wife Jeane. After several weeks at home, six additional weeks in the hospital, I'm happy to say she is now home again but very much restricted as to her activities for the next several months. Of course because of this unfortunate situation everything had to come to almost a complete halt in order to cope with the situation and I sincerely regret this has caused the delay in sending out this issue; this in turn already puts me far behind schedule on the January issue of TCL. I'm most sorry for these delays and hope it has not caused you too much inconvenience - I assure you that every effort will be made to get the January 74 issue in the mail as quickly as I possibly can. I wish to thank all the members who sent cards and expressed their concern in notes and letters.

In the interest of speeding up the production of TCL and saving considerable physical effort, I have traded in the manual mimeograph previously used for an electric model of similar design. I'm sure you'll not notice any difference but my arm surely will. The additional cost to accomplish this ($200) has been absorbed by me, no CCRT funds have been used.

This issue has not completely taken the final form I had in mind when it was started. The all too many delays, stops and starts has forced me to bring this issue into production form as quickly as possible without further changes or refinements.

Many members have contributed to the benefit of CCRT during this past year and it would be hazardous to list them all for fear of missing one. A big thanks to one and all who contributed to CCRT and made this past year our most successful to date. So that all members may have some idea of the many ways members have helped CCRT in 1973 I submit this partial list: donations-material etc; gave CCRT publicity by talks, displays, exhibits, printed matter and correspondence; wrote articles for TCL and other publications; news releases to other publications; sent in clippings and articles for reprinting in TCL; donated material for future CCRT library; obtained postage at discount; produced mailing labels; sent in suggestions and also constructive criticism. This by no means exhausts the list but gives an idea of the many ways CCRT has received help. Any one of these, or others, would be welcome from you.

From all indications 1974 promises to be another good year for CCRT. There are a number of interesting articles on tap for coming issues of TCL, however this is not to say that more are not needed...and always welcome. Also, as we close in on our schedule, a new current membership roster will be issued which is quite a task in itself.

(Cont'd. next page)

On tap too, in addition to the regular scheduled issues, is a SECURITY PRINTERS LISTING which is quite lengthy. This work was produced by our active member Ray Rathjen with the help of a number of our members who supplied necessary information. More on this shortly.

As you may guess I'm under great pressure to get back on schedule with TCL and also involve myself administratively. In the interim the mail has also stacked high in spite of using every spare moment to keep up with it, so again I say I regret any inconvenience these delays may have caused you. You can be sure I'll give 100% effort to get back on the track and rolling full steam ahead; I will however miss the full team-effort of Jeane because of her limited activity for the present time.

Thanks for the great support I received during this past year - it is appreciated!

The very best of health and good wishes for this coming year.

Bob Flaig

* * * * * * * * * * * * * *

THE HISTORY AND COLLECTING OF CHECKS - SLIDE PROGRAM

Many of our members have taken advantage of showing this informative and interesting program to their local club groups and it has received many enthusiastic comments. Make your reservations to show it to your local club -Now! This quality show is a nice way to tell the story of checks and check collecting to your collector friends.

INSTRUCTIONS FOR RESERVING THE HISTORY AND COLLECTING OF CHECKS

1. Send all requests for reservations to Mr. Brent Hughes
   (Do not request from your editor) 3230 Dealon Drive
   Falls Church, Va. 22042
2. Give exact address to which slides are to be shipped. The slide set can be shipped only to an individual member of CCRT, not to an organization name only.
3. No charge will be made for the use of the slide program. Borrower is asked to pay postal charges both ways - approximately $2.00.
4. Borrower should give first choice of show dates, plus an alternate date in case the slide set is all booked. Every effort will be made to arrange shipment to meet the first choice of dates. A return label will be included so that no mistake can occur.
5. If a slide (slides) is accidently damaged while showing, please indicate this fact (naming which slides) so that a new one can be made to replace it before the set is re-shipped to the next borrower.

A narrative will be included which will explain each slide. No knowledge of the subject is necessary in order to present the program.

All slides in the program were made to professional standards by our prominent numismatist, Mr. Brent Hughes. Reserve this program for your local club groups today - you will be happy you did!

Pg. 182
Oct. 73

FIRST BANK AND TRUST COMPANY
SPEEDWAY, INDIANA

Joseph E. Seiter (CCRT #28) 2117 Winchester Dr., Indianapolis, Indiana 46227

Most of our readers are familiar with the world famous 500 Mile Race which is held every year on the two and one half mile oval track at Speedway, Indiana.

The town of Speedway is directly adjacent to the far west side of Indianapolis and is also the home of the First Bank and Trust Company. This reputable banking institution had its beginning as the Clermont State Bank of Clermont, Indiana. The town of Clermont lies just a few miles northwest of Indianapolis.

In the year 1929, the Department of Financial Institutions granted permission for the Clermont State Bank to move their bank to the town of Speedway.

A new charter was issued April 29, 1929 for the Speedway State Bank. This institution opened its doors for business on June 18, 1929 with total assets of $138,321.62.

The officers and directors consisted of Dr. Asa O. Ruse, President; Mr. Harry L. Keller, Cashier; Mr. Emsley W. Johnson, Attorney and Mr. Byron D. Hockensmith, Director; along with three other directors.

This bank survived the depression years and was opened as an "A" rated bank after the Bank Holiday and Guarantee of Deposits. During this period, John Dillinger and his gang were using banks for target practice, as well as a source for lining their pockets. As protection, the Speedway State Bank installed a bullet proof fixture to ward off hold-ups.

Mr. Harry L. Keller, Cashier of the Speedway State Bank when it first opened in June of 1929, told this writer, "we survived on a tight budget and our original checks were the cheapest we could buy".

Later on, the bank thought it would be a good idea to capitalize on Speedway and the 500 Mile Race, which had a slogan of "Speedway Known the World Over". The race car image was added to their checks and turned out to be a very good business development.

The vignette of the race car seen on some of these checks is not an actual photograph of any particular car. It is a drawing of the typical race car of that period.

During World War II, the many industries in Speedway employed thousands of people which enabled the bank to experience several boom years. These boom years placed the Speedway State Bank in a class with the larger banks.

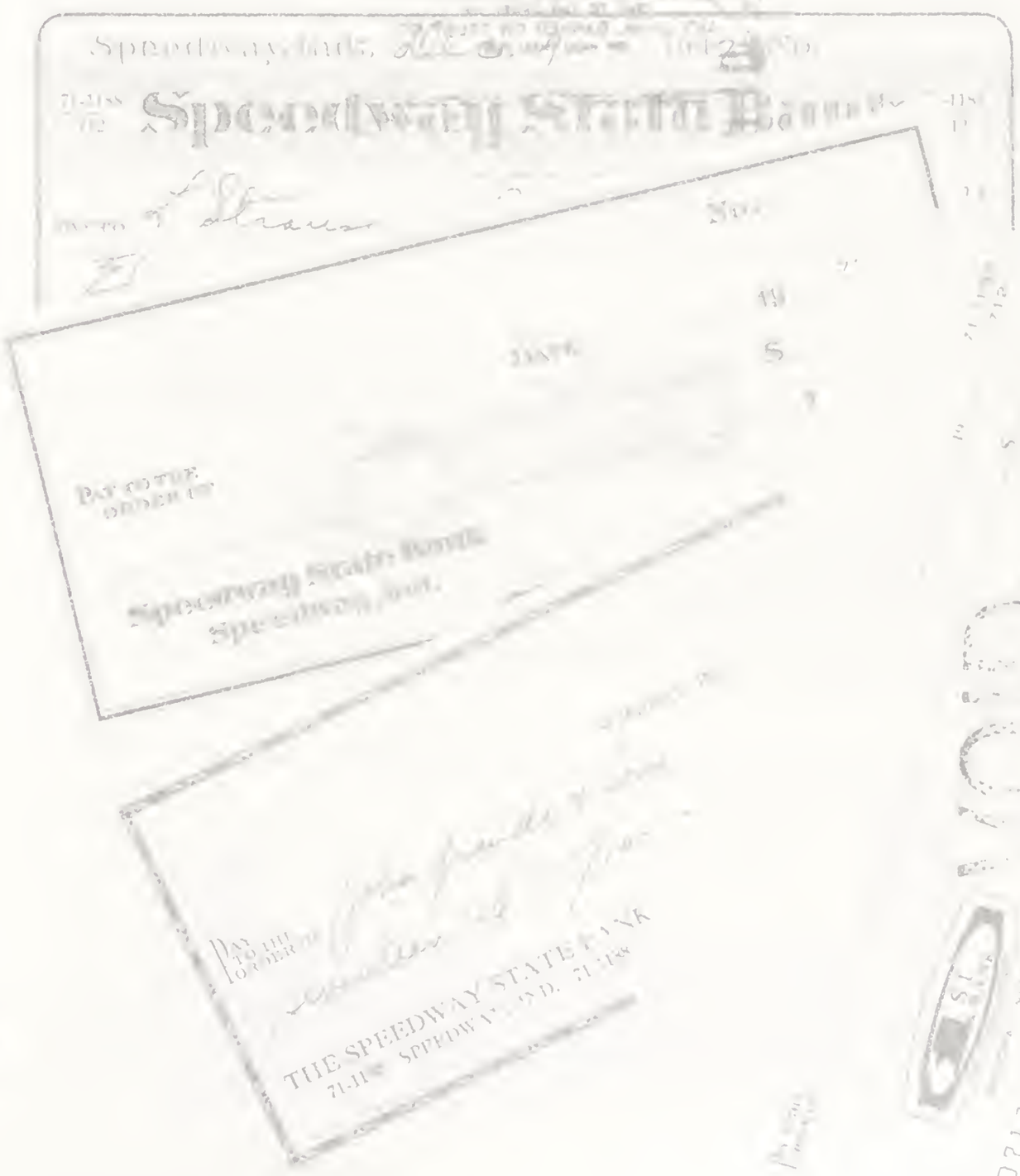
In March 1963, the bank began to establish branch banks throughout Marion County, Indiana. This action necessitated a change in name to become compatible with other sections of Marion County. Therefore, the Speedway State Bank became known as the First Bank and Trust Co.

FIRST BANK AND TRUST Cont'd. Cont'd.
As of June 30th, 1971 there were six branch banks with total assets of $90,013,466.00.

Some other facts of interest -

1. The bank started with one employee and today employees number over 19[illegible] people on the payroll.
2. The bank started with two pen systems of bookkeeping and then switched to a Burroughs Posting Machine. Next came the Postronic Bookkeeping Machines - first in Indiana. Today the First Bank and Trust Company is computerized.

The checks shown with this article are but a few of the several varieties which have been issued over the years.



Box. 184
Fol. 73

COLLECTING ENGLISH CHEQUES

Vincent Pearson (CCHT #294) 39 Skipton Ave., Southport,
Lancashire, PR9 8JP. England
(Checks from the collection of V. Pearson)

This is not a history of the banks themselves which sprang up in their hundreds during the late 1700's and early 1800's, but a tracing of the many amalgamations shown with the aid of cheque illustrations to the present day bank. In the 1800's, hundreds of banks were merged or amalgamated with other banks, sometimes one of the bank names was dropped, other times it was added to the name of the amalgamating bank as with the Bank of Liverpool and Matins Limited which were originally two separate banks, other times only part of the bank name was added to the new title as with the City Bank Limited which due to amalgamation with the London and Midland Bank Limited became known as the London City and Midland Bank Limited, a change which happened many times.

With some of the banks it was not unknown for a bank to add to its original title many parts of names of other banks which merged with it and after a number of years to delete the names and so regain its former name.

The many bank amalgamations must have kept the cheque printers very happy as each time another merger came about so did another order for a new cheque bearing the bank's name, sometimes the old bank's cheques were overprinted with the new name and make an interesting addition to a collection.

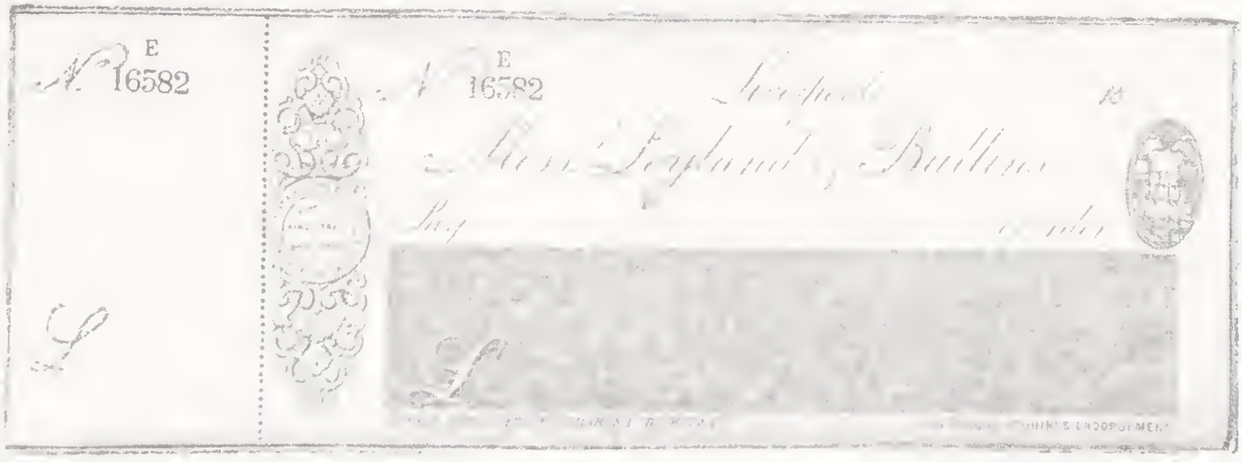
The Midland Bank today is one of the big five banks, although it was not always known under that name. This article goes back to the late 1700's and early 1800's to take a look at the cheques which have now disappeared under the name of the Midland Bank Ltd.

List of name changes and dates of the London and Midland Bank Ltd., to Midland Bank Ltd. -

London and Midland Bank Ltd., Established 1836
London City and Midland Bank Ltd., from 1898
London Joint City and Midland Bank Ltd., from 1918
Midland Bank Limited, from 1923 to present day

Illustrations No's. 1 to 9 show bank cheques which were amalgamated into the Midland Bank Limited.

AMALGAMATIONS.



Ill. #1
MESS'RS LEYLAND & BULLINS, LIVERPOOL. In its original form

this bank was established in 1780, illustration 1, shows one of the cheques printed by Charles Skipper & East, London. This cheque was printed in 1898 and is blue on white paper and measures 288 x 89mm complete with counterfoil or stub. The cheque bears the orange oval shaped One-penny Revenue Stamp but is without a watermark.

On June 1, 1901 this bank was amalgamated with the NORTH & SOUTH WALES BANK, LIVERPOOL, which was established in 1836. It is not known which year the bank became a Limited Company but cheques printed in 1879, illustration #2, are rubber stamped "Limited". The cheques were printed by Barclays Patent Indelible, London, in red on pale green paper and bear the blind embossed revenue stamp. The design is of typical English style of that period with a fancy scroll design on the left side plus a monogram with the letters N S W B, the size is 259 x 90mm complete with stub.

The later issue of 1902 was printed in blue on fawn paper by Chambers & Sons Ltd. "Protective", Finbury, E.C. and is patent No. 1145088. This cheque bears the orange revenue stamp for One-penny and measures 272 x 88mm. This bank was in operation for 72 years when in November 1908 it was amalgamated with the London City and Midland Bank Limited.

MESS'RS MOSS & COMPANY, LIVERPOOL

This bank was established in 1807, illustration #3 shows the Moss cheque printed by Yates & Hess, Liverpool in 1863, the colours are black on grey paper. The cheque bears the old large and very elaborate blind embossed revenue stamp for One-penny. This is a Bearer cheque measuring complete with stub, 260 x 80mm. In 1864 Mess'rs Moss & Co. was converted into a limited company under the name of North Western Bank Ltd.

NORTH WESTERN BANK LIMITED. LIVERPOOL

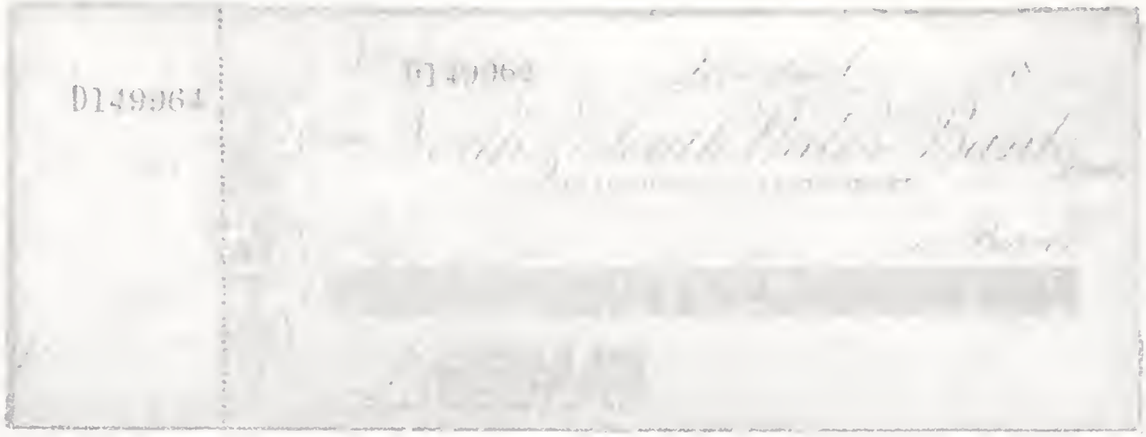
The new cheque printed by Yates & Hess, Liverpool in 1864, which was also the first year of operation under that name, was printed in black on very pale green paper and bore a large blind embossed revenue stamp. There was a watermark bearing the words,"Glyn & Appells Patent, T.H. Sanders", which extended across the length of the cheque which measured 262 x 83mm. In 1867 a new issue, but of the same design, was printed by Nissen & Parker of London. This time the colour was changed to black on pale blue paper with the later type small oval shaped revenue stamp. The size of the cheque complete with stub is 256 x 82mm. The bank was open for business for 33 years before amalgamation with the London and Midland Bank Limited in October 1897.

IMPERIAL BANK OF ENGLAND

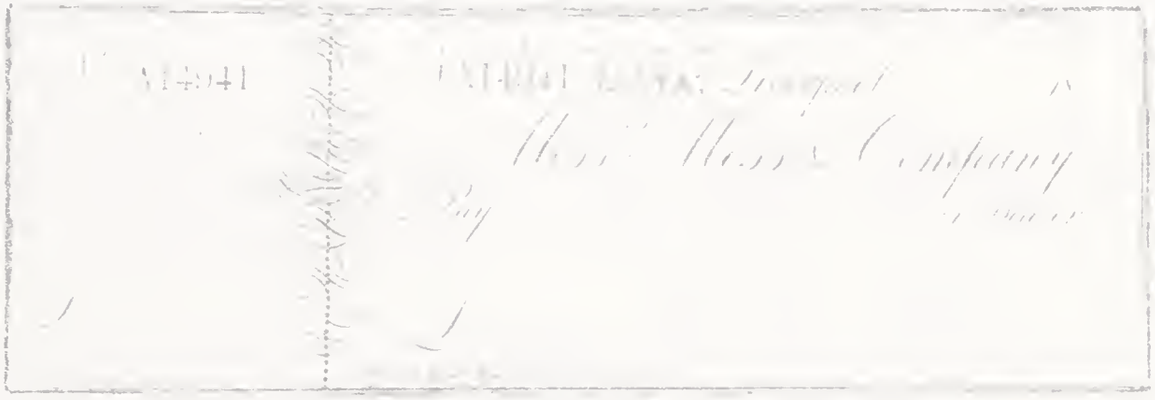
This bank was established in 1862; illustration #4 shows the cheque printed by Waterlow & Sons Limited "Duplex Security" London Wall, London. The cheque measures 195 x 80mm and was printed in 1884 in blue on white paper. The bank was only in operation for 31 years before its amalgamation with the London Joint Stock Bank Limited in 1893. The watermark,"The Imperial Bank Limited London" extends the full length of the cheque.

CUMBERLAND UNION BANKING CO. LIMITED.

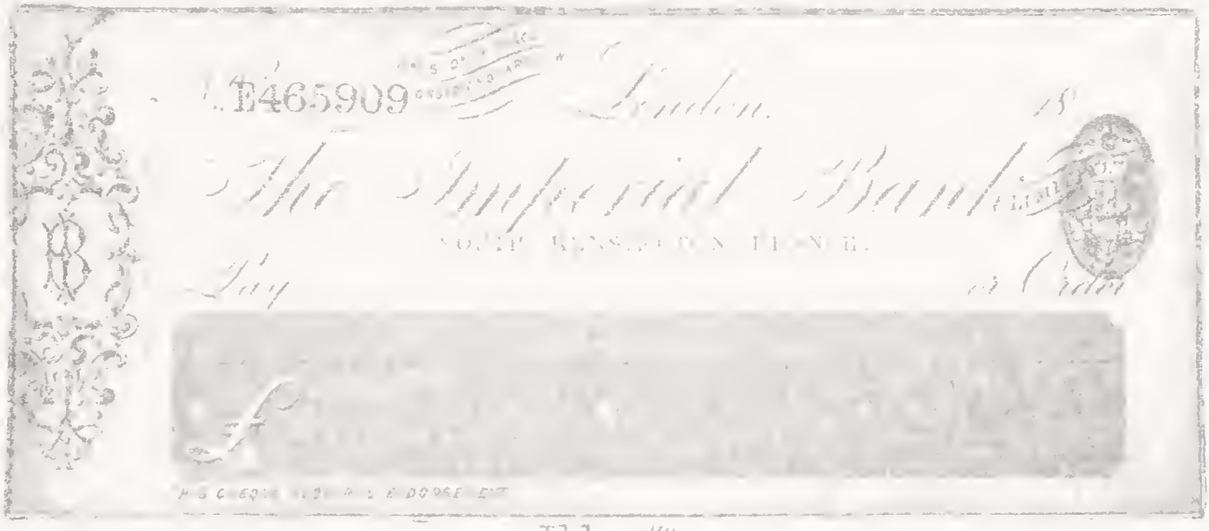
Illustration #5 shows the cheque printed in mauve on white paper in July 1896. The bank started business in 1829 and operated until 1901 when it amalgamated with the York City & C.B. Co. Ltd.



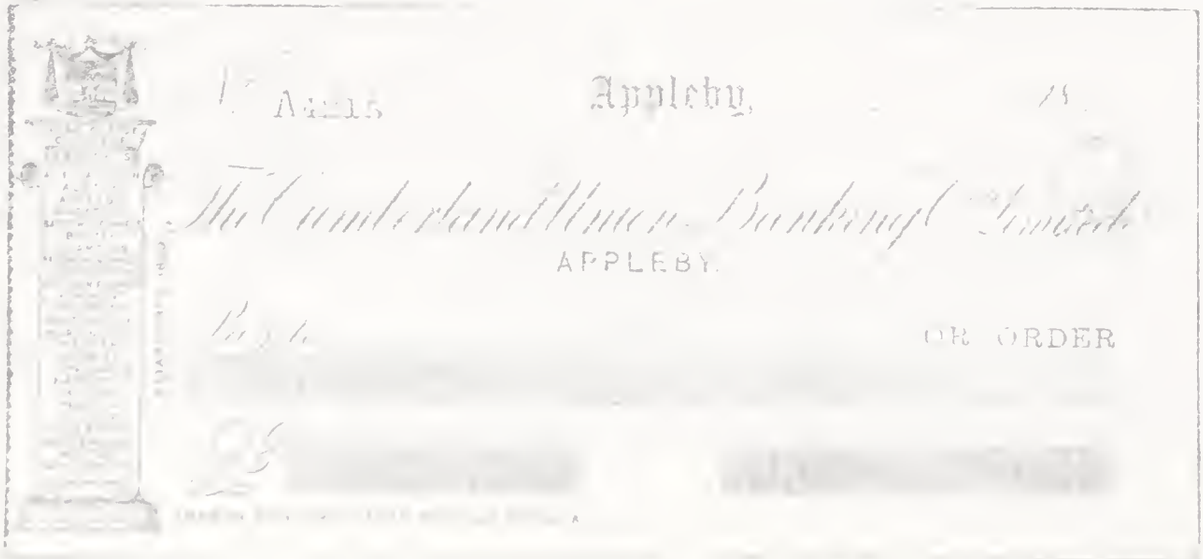
Ill. #2



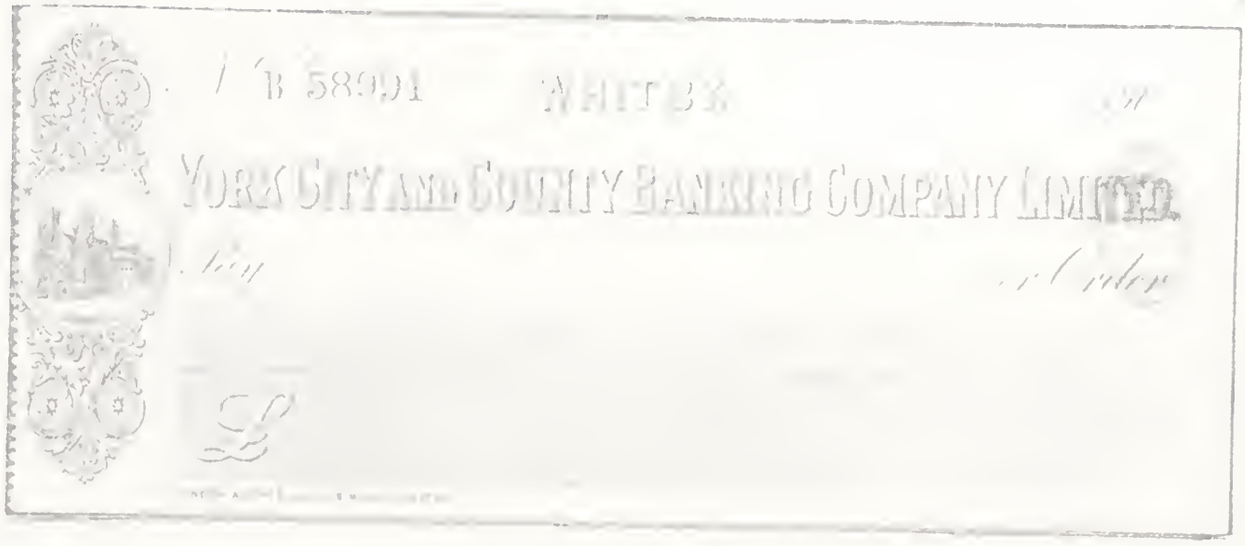
Ill. #3



Ill. #4



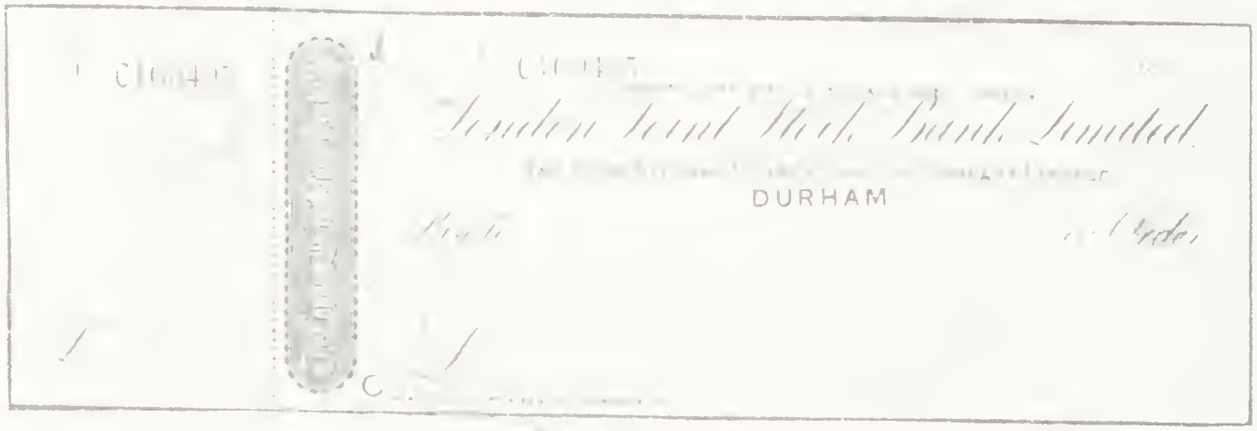
Ill. #5



Ill. #6

YORK CITY AND COUNTY BANKING COMPANY LIMITED.

Illustration #6 shows the bank's attractive cheque printed by Waterlow & Sons in June 1906. The cheque printed in blue on white paper also bears the vignette of the York Minster Cathedral. After 78 years of service this bank also fell a victim of amalgamation with the London Joint Stock Bank Limited in 1909.



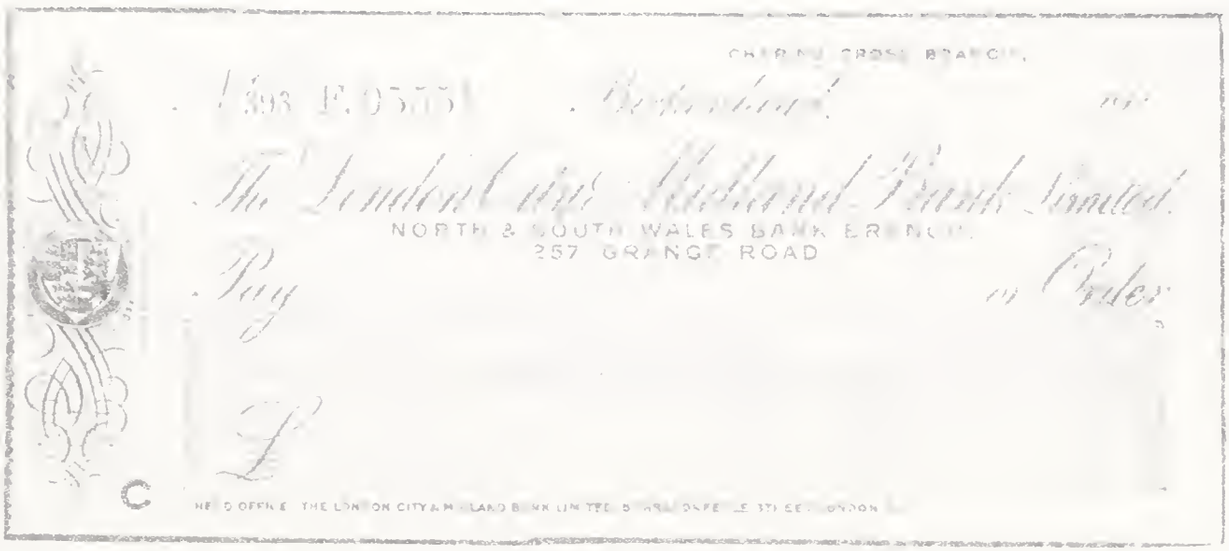
Ill. #7

LONDON JOINT STOCK BANK LIMITED.

This interesting cheque bearing the name of 3 banks (Ill. #7) was printed in July 1918, just three months prior to its amalgamation with the London City and Midland Bank Ltd. in October 1918. The cheque was printed by Waterlow & Sons (Security) London, in black, blue and grey on white paper and bears the new two-penny revenue stamp (This was due to the Finance Act of 1918 which raised the stamp duty from one to two pence). The cheque measures 265 x 84mm and bears the watermark "London Joint Stock Bank Ltd" across the full length of the cheque.

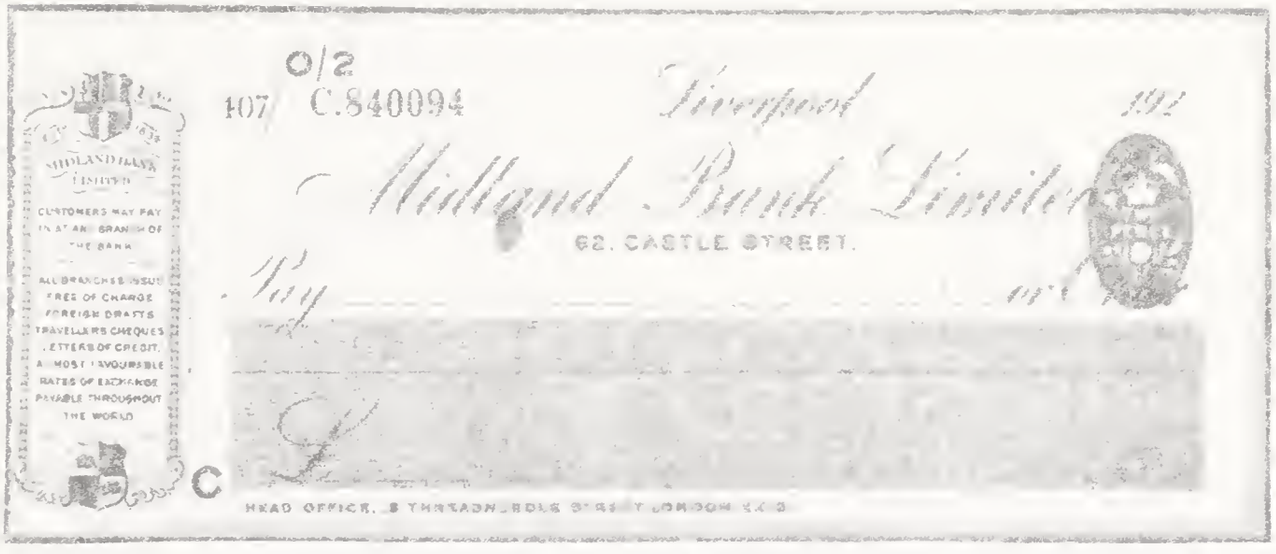
LONDON CITY AND MIDLAND BANK LIMITED.

This bank was established in 1836 (Ill. #8, top next page) under the name of London & Midland Bank Ltd.; it was not until the amalgamation of the City Bank Ltd. in 1898 that the title of City was added to the name. Under this name the bank operated for 20 years when in October 1918, due to amalgamation with the London J.S. Bank, the new name of London Joint City & Midland Bank appeared.


CHEAPSIDE BRANCH.
The London City and Midland Bank Limited.
NORTH & SOUTH WALES BANK BRANCH.
257 GRANGE ROAD
Pay
or Order
HEAD OFFICE THE LONDON CITY AND MIDLAND BANK LIMITED 5 THREADNEEDLE ST EC LONDON

Ill. #8

LONDON JOINT CITY AND MIDLAND BANK LIMITED.


MIDLAND BANK LIMITED
CUSTOMERS MAY PAY IN AT ANY BRANCH OF THE BANK
ALL BRANCHES ISSUE FREE OF CHARGE FOREIGN DRAFTS TRAVELLERS CHEQUES LETTERS OF CREDIT, ALMOST FAVOURABLE RATES OF EXCHANGE PAYABLE THROUGHOUT THE WORLD
C
O/2
107 C.840094
Liverpool
Midland Bank Limited
62. CASTLE STREET.
Pay
or Order
HEAD OFFICE, 5 THREADNEEDLE STREET, LONDON, E.C.2.

Ill. #9

Under this name the bank carried on business for only five more years when in November 1923 the name was shortened to Midland Bank Limited which is the name it still operates under today. Illustration #9 shows a cheque as issued in 1924 printed in blue and black on white paper; the bank's name and coat of arms form the watermark.

* * * * * * * * * * * * * *

INTERESTING FACTS

Checks written with the first felt-tipped pens were unacceptable at Sears & Roebuck stores in Seattle. Banks there felt signatures could be too easily forged with this method of writing. The new fine-tipped felt pens are acceptable for check writing.

A study by the National Association of Food Chains and American Telephone & Telegraph Co. revealed that supermarkets take a beating to the tune of $40 million in bad checks each year.

REAL HAWAIIAN MONEY CHECKS

Allan Hauck (CCRT #339) P.O. Box 176, Kenosha, Wisconsin 53141

Through the co-operation of Mr. Duke Lasensky, Director of Advertising for the Hawaii National Bank of Honolulu, each reader of The Check List is receiving with this issue an example of the pictorial checks recently issued by this bank.

These checks are an authentic reproduction of the only known remaining $5.00 note issued in the late 1830's during the reign of Kamehameha III by the manager of the Ladd & Co. Sugar Plantation in Koloa,Kauai. In 1837 the company issued three fractional notes (half dollar, quarter dollar and eighth dollar) and in 1839 it issued the $5.00 note shown on the check. There is only one copy of this note extant today and it is in the collection of Alfred J. Ostheimer III of Honolulu and it is valued in excess of $10,000.00.

A literal translation of the note reads:"The person who wrote the note herein below state that they (sic) will give to the person who reads this note the sum of five dollars out of the stock of their store at Koloa. Ladd & Co."

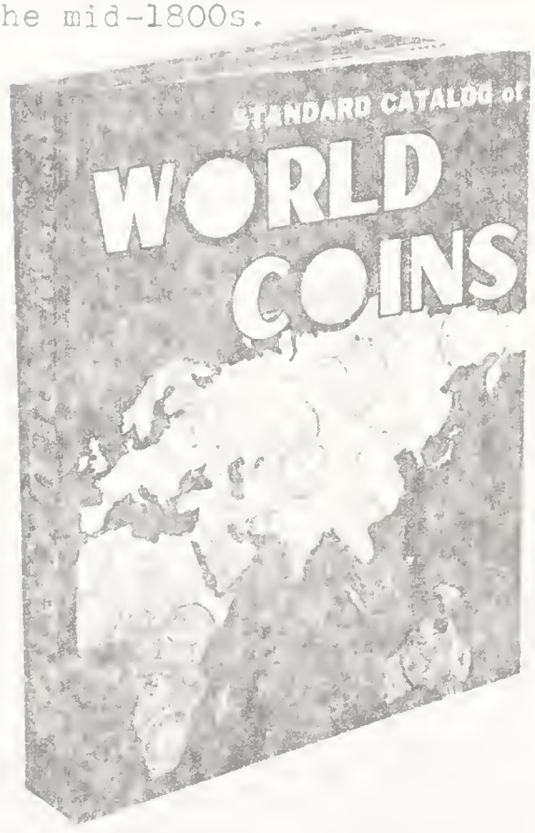
* * * * * * * * * * * * * * *

RATION BANKING PROGRAM

As most of our CCRT members know, we have almost from our inception co-operated with the Society of Ration Token Collectors and have previously printed material supplied by our good friend and President of SRTC, Jerry Bates. We are now on an exchange basis, so far as our publications are concerned and their editor Joe Lowande is co-operating by supplying information and their official publication, The Ration Board. SRTC is presently engaged in an in-depth research project relating to Ration Banking which was in effect during World War II. Upon completion, the results of this project on war time ration banking will be made available in printed form. If you have an interest in this area of collecting, full information is available from their President, Jerry Bates, P.O. Box 777, St. Charles, Mo. 63301; or their Editor, Joe Lowande, 165 Duer Drive, North Plainfield, N.J. 07062

1974 STANDARD CATALOG OF WORLD COINS AVAILABLE

Unequaled in scope, size and detail by any other reference on the market today, the new 1974 edition of the Standard Catalog of World Coins was released on November 1. Compiled under the direction of Chester L. Krause and Clifford Mishler, this complete one volume coin library chronicles the coinage histories of more than 270 nations, with coverage commencing in the mid-1800s.



Completely revised throughout, this second edition has been eagerly awaited by collectors since the first edition sold out in early 1973. In addition to revising the existing listings, the authors added comprehensive new listings of gold issues and pre-1850s coins of many countries.

This 864 page volume encompasses the coin issues which evidence the greatest overall collector interest. It is keyed to visual identification of coins, a mission carried forward with the presentation of more than 17,000 original coin photos, and comprehensive listings by date, including many previously unrecorded type, variety and quasi-coin issues which provide puzzlement to the uninitiated.

Incorporated as an intregal part of the 1974 Standard Catalog of World Coins is a fully revised and expanded listing of 20th century non-circulating legal tender coin issues of the world. Listing individual proof and specimen coins and sets or regular issue coinage, plus non-circulating legal tender proof and specimen coins and sets, this section has been compiled by Charles P. Hosch.

The China and India native states sections are by far the most comprehensive and detailed ever presented. Listings for the countries of Spanish America commence in the 1820s with the first post- independence issues. This edition also presents completely revised listings for a string of countries including Russia, Nepal, Tibet, Greece, Spain, Romania and Austria.

The listings are arranged according to the basic American system; i.e., by denomination, rather than type or period of issue, commencing with the smallest unit and working up the scale. Thereunder the arrangement is by known dates of issue. Well over 100,000 coin valuations are presented.

A world coin catalog in every sense of the word, the Standard Catalog of World Coins features comprehensive date listings for the U.S., Canada and Mexico. The U.S. listings commence in 1792, for Mexico the starting date is 1824, when the first issues of the republic appeared, while Canadian coverage commences in 1858.

All listings in this work continue to be keyed to the various applicable standard catalog designations recognized and used by collectors throughout the world. Beginners seeking a series to collect, novices collecting by type, and graduates to date and specialized collecting pursuits have learned to turn to the catalog with confidence.

Priced at $12.50, the 1974 Standard Catalog of World Coins is available from most hobby shops handling coin books, or direct from the publisher; Krause Publications, Inc., Iola, Wis., 54945.

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T.C.L. MAILING INFORMATION

In the interest of speeding T.C.L. to you and keeping mailing costs as low as possible (In U.S.A.), your editor very recently checked with the postal authorities here in Cincinnati, Ohio. Several previous issues of T.C.L. were offered as examples to the gentleman at the P.O. and after his request to know approximately how many issues are mailed and how often, he offered the following information: We would gain little by using Second Class Mail, perhaps a bit less cost in postage but not a great deal in faster delivery here in the U.S. There would however be quite a bit of more "redtape" and additional record keeping and periodic filing of forms with the P.O. In addition, a $30 fee would have to be posted with the filing of the request for a Second Class Permit. This would not be returned even though our request was rejected and this would be determined by the postal authority here and also in Washington. The mailing charge per issue, if permit was granted, would be determined by the size of the issue and the amount of advertising it contained.

Further this gentleman believes we should get almost as good a result without all the above by using Third Class Mail. At this point your editor informed him that he would not be talking to him if Third Class Mail was giving us such good results and that some of our members have waited from six to eight weeks after the issue was mailed before they received it. He noted he knows the P.O. has conditions that may need improving but could not believe a piece of Third Class Mail would take that long to be delivered. According to their posted schedule which he had on the wall, it should take no more than 8 or 9 days to reach even California from here, and much less time for closer points. It was further suggested that should some of our issues take longer than this time, the person receiving it should take it to his P.O. and file a complaint or send it to me so I can do the same - giving necessary facts such as date received etc. He promised that if I brought in any number of these, the P.O. here would run a check on our entire mailing so that service would be improved.

Now, should we get the kind of service he says we should with Third Class Mail, there would not be too much room for complaint, but please remember this gentleman stated these facts, not me!

In order to comply with the P.O. recommendations, I propose the following:

1. This issue and all others for 1974 will be mailed from the main Cincinnati P.O. where I received this information. I will ask the postal authority to make a note of the date issues are sent.

(Cont'd. next page)

HAVE A HOME FOR YOUR CHECKS

with our high-quality crystal-clear plastic protectors.
Of durable 5-gauge thickness acetate, open on 2 sides.

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2. 7½ x 3-3/4, great for smaller items. Closeout SPECIAL on this hard-to-get size. 4¢ each
3. 8½ x 11, versatile popular size, with black paper filler and flap. Either: no punch or 3-hole punch. Museum-quality cellulose acetate. 19¢ each
   Economical crystal clear styrene just 10¢ each
4. ALSO AVAILABLE: 6 x 9 "window-front" paper envelope, with gummed flap, clear plastic front. 6¢ each

Please add 50¢ post and handling; minimum order 50 pieces; 10% discount on orders of 100 pieces or more (You may mix sizes). Free list of other document protectors, many sizes.

A stock of REVOLUTIONARY WAR period soldiers pay- orders and financial documents always available. (Buy now; avoid the 1976 rush!) Write for details.

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212-962-0399 CCRT #148

T.C.L. MAILING INFORMATION (Cont'd.)

2. Most 3rd. Class Mail does not have a postmark date on it; This issue and all others of 1974 will contain the mailing date stamped near the corner containing the postage - stamped by your editor.

3. Even though they say 3rd Class Mail should be delivered anywhere in the U.S. in 9 days, lets give them a "few" days longer. If you believe the additional time over the 9 days is too much, please take the envelope to your P.O. and file a complaint, or return the front portion of the envelope to your editor so he may do it. Be sure to note the date you received the issue plus anything else you deem important.

That's the story, so even if additional chores are created for your editor, it will be worth the effort if we can get better T.C.L. delivery...only time will tell.

* * * * * * * * * * * * * *

LET'S GROW MORE IN 74

Tell your friends about CCRT! Display! Exhibit!

Have you sent in your dues?

Complete Hudson's Bay Underwriting

Left to Right: C. F. Maitland, N. J. Alexander, W. B. Harris, P. A. McKenzie, P. W. Wood

HAGERSTOWN QUESTION MARKS

Roger Patterson (CCRT #318) Box 51, East St. Rt. 4, Bemidji, Minnesota 56601

Because there are so many facets of our hobby, it can be said that no used check has an identical twin. Numbers, names, dates and countless points of variety make each one different.

Beneath the main features of a check are the neglected details of worth or curiosity. While searching out certain revenues, we might overlook important autographs. A tit of history is ignored in favor of a fancy vignette. We could trade away an RN-c24 for a batch of plain Chicago checks....and find they were issued on the dates of the great fire. It's an exciting game and each collector has his own special interests. Lately I have tried to explore checks from all angles, keeping dozens of a type for this purpose.

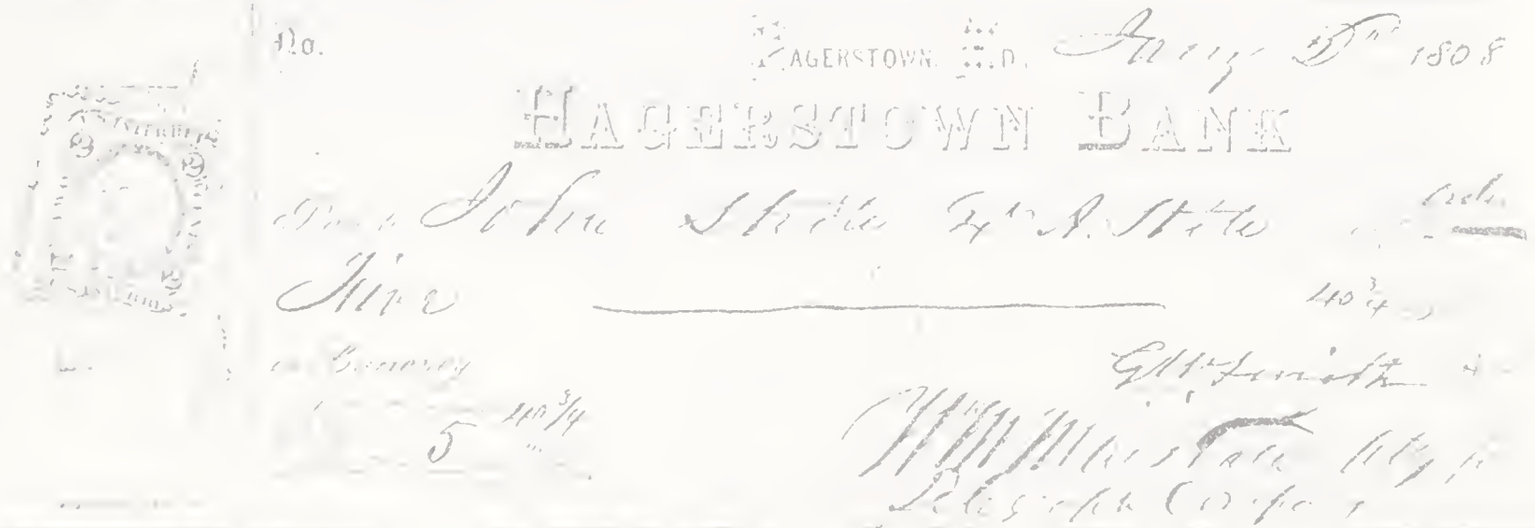
It was Bob Richards who called my attention to an unusual category,..."mystery items". I re-examined my Hagerstown look-alikes and found several checks which must fall into this category.

Illustrations 1. and 2. are the only fractional checks of which I am aware, written in America since the Civil War. One is made out for five dollars, forty and three-quarter cents. The other is for nine dollars, one and one-quarter cents. Both orders were issued January 2, 1868, so it is likely that they were connected in some way. They are signed by a common party but made out to different individuals. Perhaps the exact sums were dictated by strict business policy. The signer, Marshall, represented a telegraph company, the title of which is a question itself. Just how such checks were paid is a further puzzle.

Illustration 3. is one of several Hagerstown checks bearing the notation, "2 stp" or "2 stamp" next to the figure of value. It is a guess that the cost of the two cent revenue stamp was added to or subtracted from the denomination.

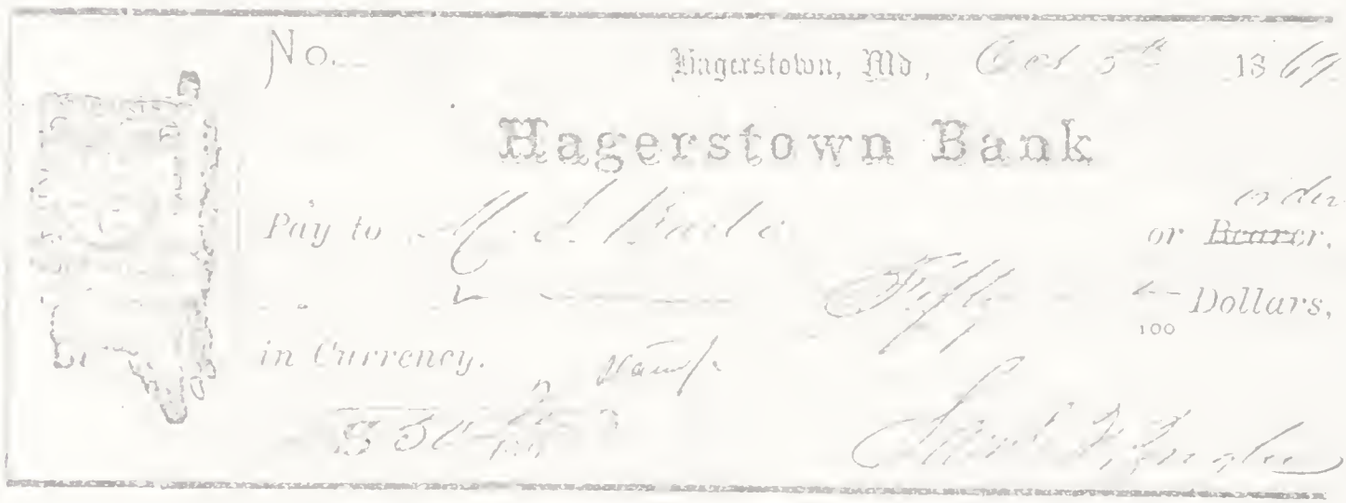
I would like to know if fellow members can explain these instances, or if similar checks are known. No doubt someone can solve both the two cent and quarter mysteries and enlighten us all.

I am even more interested in the curiosities which others may discover in "double-checking" their collections.



Ill. #1

Ill. #2



Ill. #3

IT'S TRUE -

Two young children gave the following definitions of a bank:
"A bank is a place robbers like."
"A bank is a place where my aunt works."

A very tiny burglar alarm produced in Germany is designed to be placed in a bundle of bank notes or securities and if it is disturbed, produces a loud noise.

Steaks are the latest inducement for some banks to use to induce increased deposits or gain new customers - what next?

The first Charge-a-Plates were made of stiff paper stock.

Some banks no longer use a customer savings book; a duplicate of the deposit slip is your record.

SOME EARLY BANKING IN NEW MEXICO

Robert Duphorne (CCRT #139) PO Box 1305, Albuquerque, N.M. 87103

Nearly 100 years ago the Central Bank was established in Albuquerque in Old Town - under the laws of the Territory of New Mexico. Two brothers, Joshua S. and Jefferson Raynolds, founded this bank in 1878. It was the first bank to be organized in this city.

Three years later, on December 24, 1881, the First National Bank of Albuquerque was chartered with a capital of $50,000. The organizers were Daniel Geary, Mariano S. Otero, Jose L. Perea, Thomas C. Gutierrez, Louis Henning, Felipe Chavez, Justo R. Armijo, Elias S. Stover, and Cristoval Armijo.

The Raynolds brothers had run a very successful bank but the main stream of Albuquerque's business had moved from Old Town to the new business area located near the railroad. They felt that their future lay in the businesses growing up in New Town. So - on December 19, 1884,they purchased their competitor and merged their Central Bank into the First National. Jefferson was elected President and Joshua was Vice President.

Banking was an important business in those days but banks were not very large. On May 1, 1883 the First National's statement of condition showed total assets of $269,177.03. Capital stock was $50,000 with surplus of $1,000 and undivided profits of $5,765. Demand deposits, subject to check, were $126,559. Demand certificates of deposit amounted to $53,684.

In those days banks were permitted to issue currency. The First had $27,000 in bills outstanding and to guarantee the value of these bills it had pledged $30,000 in U. S. Bonds with the Treasury Department.

It is interesting to note the makeup of the supply of money in a bank in the 1880's. This statement shows $80 in fractional paper money, nickles and pennies - $7,085 was in legal tender notes. The balance of their funds was in specie which is hard money in the form of coins ranging from dimes to silver dollars and gold. This amounted to $15,607.50.

The First National prospered under the Raynolds' direction to such an extent that in 1886, just two years after they assumed control, its capital was doubled.

In 1901 the original 20-year charter for the bank was due to expire, but the federal government extended it for another 20 years. Almost immediately thereafter the capital was expanded to $200,000.

In 1912 the First National absorbed the Bank of Commerce and in 1915 another of the Raynolds, J.M., assumed active charge.

While The First was reaching this milestone in its history, eight other banks had opened their doors and five survived. The bank grew slowly and was prosperous but no major changes occurred until 1920. At this point it was decided that new quarters were needed. A most ambitious project was undertaken for such a small and rather complacent town as Albuquerque was. It was decided to build a major office building which was to be the largest in the state. Plans were

completed and by the fall of 1923 a modern eight story structure was completed.

A commemorative booklet was prepared outlining the history of the bank. A statement of condition for November 5, 1923 was included.

It is interesting to note that the building cost $536,184.83. Assets were $7.2 million. National currency issued by the bank amounted to $400,000.

Things went rather peacefully for the bank until the days of the depression of the thirties. At that time among the assets there were listed United States Bonds which had been purchased at par. The market had fallen to 80¢ on the dollar. Federal Land Bank Bonds had been purchased and the market on these dropped to 32¢. The bank examiner's at that time were required to inventory such bonds at market instead of par.

The banking moratorium of 1933 closed The First on April 17, 1933. It was reopened on October 24, 1933 - after obtaining a loan from the Reconstruction Finance Corporation.

W. A. Keleher, the historian and attorney, had been given the task of finding a new President. In Washington he found Cale W. Carson, Sr. who was a Deputy Land Bank Commissioner. He convinced Mr. Carson that he should accept the position.

Under Mr. Carson's leadership, The First accomplished many things by the time he retired in January 1962.

Now take a brief look at the deposit size of some other New Mexico banks. Keep in mind that Statehood was achieved on January 6, 1912. The First National Bank of Farmington opened for business May 1, 1902. Here is their pattern of growth in deposits:

May 1902	$ 5,423.03
May 1905	62,926.31
May 1915	118,905.12
May 1920	255,438.58

With these low volumes of deposits prior to Statehood there probably were few checks written and fewer saved over the years. The bank is still in existence.

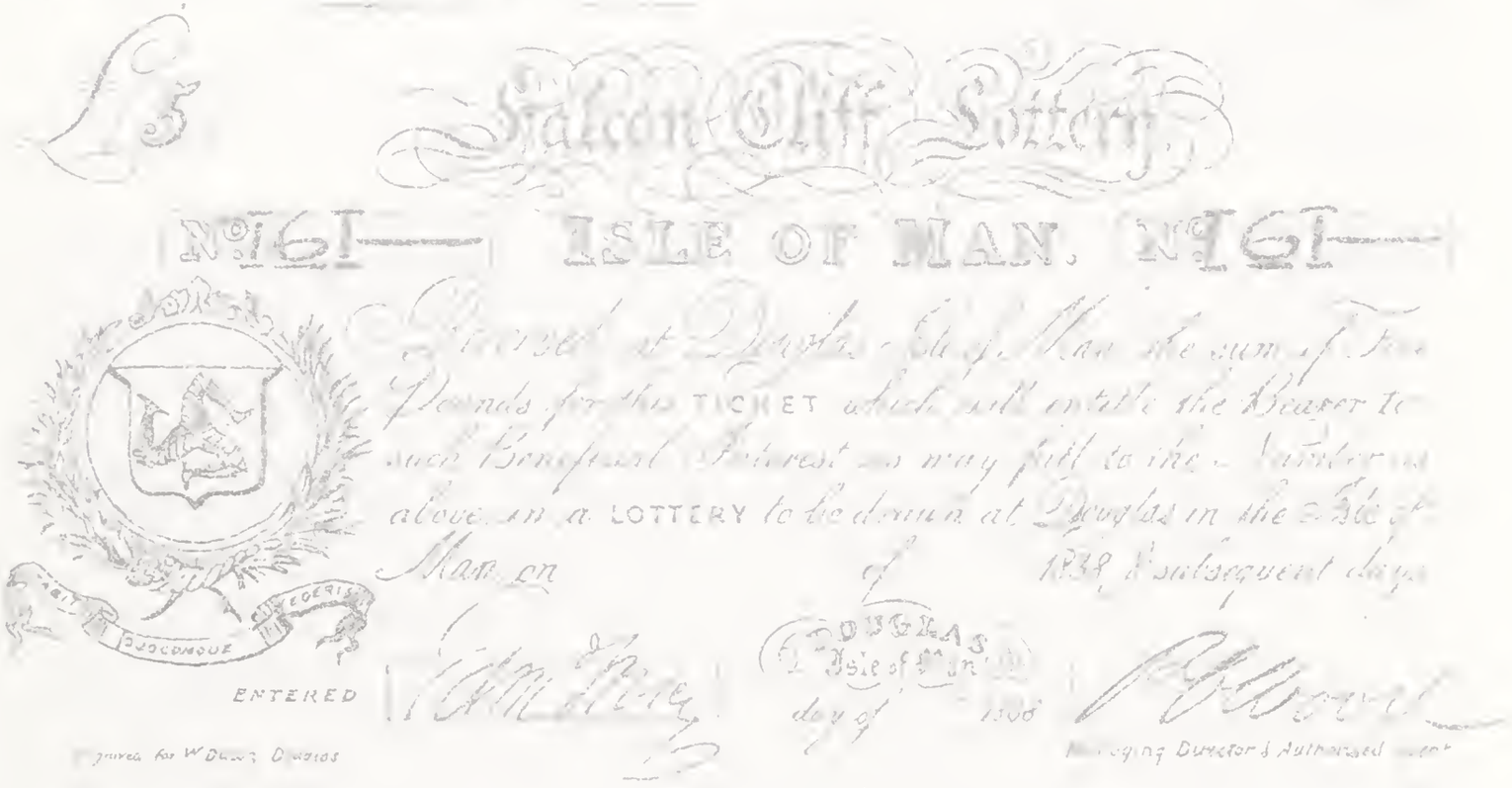
The First National Bank of Portales opened its doors on May 1, 1902. Portales is located in Roosevelt County which had a population of only 1,500 at that time. With such a small population there were probably very few accounts and a limited number of checks. Deposits on June 30, 1902 were $34,314.78. The bank is still in business.

The First National Bank of Clovis started in September 1906. Shortly thereafter deposits were $115,000. The First National Bank of Lordsburg opened September 12, 1907 and at the end of that year they had $42,232.47.

The pattern in those early years was limited deposits and little checking activity. ∅

FALCON CLIFF LOTTERY TICKET

Vincent Pearson 49 Skipton Ave. Southport, Lancashire PR9 8JP England
(CCRT #294) Copyright.



(From the collection of Vincent Pearson)

The above illustration shows a lottery ticket for the Falcon Cliff Lottery as issued in the Isle of Man on May 17, 1838.

The ticket measures 200 x 105mm and is very simular to one of the old English Country bank-notes being printed in black on white paper by W. Dillon, North Quay, Douglas, I.O.M.

The lottery tickets, 1,800 in all were sold for £5 Sterling, each ticket entitled the holder to a chance of winning one of the following prizes of a plot of land on the Falcon Cliff Property which was part of the Castle Mona Estate, one hundred lots were available as listed below:

Lots	Prizes	Value	Total
1	1	£1,500	£1,500
2 & 3	2	£1,000	£2,000
4	1	£500	£500
5 to 9	5	£300	£1,500
10 to 21	12	£100	£1,200
22 to 41	20	£40	£800
42 to 54	13	£30	£390
55 to 100	46	£25	£1,150

The signatures on the ticket are of the architect Edward May and the managing director Peter Cranke Wood. On the left side is the Manx official emblem consisting of three legs and spurs with the words Quabit Quocunque Jeceris, all the modern day issues of bank notes and many of the earlier issues bear the emolem and words.

The first prize was won by ticket holder number 1178, lot one had a

value of £1,500 and was for a superior plot of ground with access to the Promenade in the centre of Douglas. The holder of the lucky ticket was a Peeltonian gentleman who after deciding that he did not wish to reside on the island, advertised the plot of ground for sale in the Manx Sun newspaper.

The illustration shows ticket number 650, being one of the lucky numbers, it was drawn on August 1, 1838 and won prize number 38 which was for a plot of land for a house or ornamental cottage for the abode of a family of respectability.

* * * * * * * * * * * * * * *

WANTED

AMERICAN BONDS AND STOCK CERTIFICATES, ISSUED BY RAILROAD AND STREETCAR CUMPANIES. ALSO CHECKS, RECEIPTS, WARRANTS, BILLS OF ANY DENOMINATION WITH VIGNETTES OF LOCOMOTIVES AND STREETCARS.

ALSO REQUIRED...ANY CHECKS, STOCKS OR BONDS WITH VIGNETTES OF OLD PADDLE STEAMERS AND EARLY SHIPS.

VINCENT PEARSON, 34 PELHAM AVE.,
[illegible], LANCASHIRE PR8 4EE, ENGLAND

HUGE SELECTION OF BEAUTIFUL

OLD STOCK CERTIFICATES

+ BONDS

+ CHECKS

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EAGER TO BUY - PLEASE WRITE !

CATALOG FOR 8¢ STAMP

KEN PRAG

P.O. BOX 607-CC

HERMOSA BEACH, CALIFORNIA 90254

1974 COIN CALENDAR AVAILABLE

Fine quality color illustrations of a 12 coin selection of America's rarest coins - possessing a combined value in excess of $1,000,000.00 - are featured in the 1974 Coins' Calendar, the tenth annual numismatic calendar produced by Krause Publications.

The great rarities represented in the collection include the 1792 cent, the 1794 silver dollar, the 1804 dollar, the 1894-S dime, the 1913 Liberty nickel and the 1927-D Saint-Gaudens double eagle. Each of the 12 monthly subjects is accompanied by concise historical descriptions and realistic assessments of market valuations.

The date boxes of the monthly calendar pads are also annotated with more than 200 historical references to important coin and coinage events of the recent and distant past.

As in the past, it is a certainty that most collectors who receive the 1974 Coins' Calendar will come to treasure it as a collector's item in itself. Where else can one put his hand on a million dollars worth of coins for just $1?

The big 11 x 17 inch full color calendar is designed with a comb binding to allow it to hang flat on the wall, or be folded to 8½ x 11 inches for desk top use. Collectors may purchase the 1974 Coins' Calendar for only $1 per copy, postpaid, by addressing The Rare One, Krause Publications, Iola, Wis., 54945.

DEFINITION AND SCOPE OF WORK OF THE EXAMINER OF QUESTIONED DOCUMENTS, DOCUMENT EXAMINER, OR DOCUMENT ANALYST

Alwyn Cole (CCRT #203) Examiner of Questioned Documents, 2730 Blaine Drive, Chevy Chase, Maryland 20015

One who makes critical examinations, comparisons, and analyses of documents: To establish genuineness or to expose forgery, or to reveal alterations, additions or deletions; to identify persons through documents or parts of documents, as by showing the authorship of handwriting, or the source of typewriting; to aid in fixing liability or culpability for any kind of fraud that makes use of documents, and generally to help protect the integrity of documents. Typical problems in this field are the identification of handwriting, typewriting, ink, paper, writing instruments, and establishment of the date, source, history, and relationships of documents. Other problems are the decipherment and sometimes restoration of obscure, deleted, or damaged parts of documents. Use is made of the microscope and other optical aids, of photographic cameras, and of a wide variety of photographic material adaptable for use with a variety of lighting methods including radiations in infrared and ultraviolet. Questions about documents are answered through the application of knowledge gained from experience and through application of knowledge and techniques in a number of other fields, such as chemistry, physics, mathematics, language studies, etc. The field of interest embraces manufacturing processes and the materials that go into the production of documents, as well as the methods, machines, instruments, and human agencies by which the parts of documents are formed or brought together. The work often includes the study of the information carried by a document for discovery of evidence of spuriousness, or identification of persons, or to show significant relationships. The results of work are usually incorporated into written reports for use by administrative and executive officers, boards, commissions, lawyers, and individuals, and are often made the subject of testimony under oath in civil and criminal trials which require the demonstration, by the use of visual aids, or reasons for conclusions or determinations and require further explanation under cross-examination. Upon occasion workers in this field are known by the term "handwriting expert." Document examination as here defined includes expertise in handwriting identification. It does not involve the employment of calligraphic or engrossing skills, nor does it involve a study of personality or character. Questions about documents arise in business, finance, civil and criminal trials, or in any matter affected by the integrity of written communications and records.

This statement concerning the examiner of questioned documents was prepared for and presented at the annual business meeting of the American Society of Questioned Document Examiners, Toronto, Canada, June, 1969, and was adopted as a description or definition of the document examiner by the Society at that meeting. The above was also adopted by the Questioned Document Section of the American Academy of Forensic Sciences.

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UNTOUCHED AREAS

Alaska and Hawaii are two places this publication has never touched upon relative to banking. Articles on these states would be most welcome!

C L E A R I N G H O U S E

Listings on this page are free to members - donations are acceptable. Listed below are items members wish to BUY, SELL, TRADE or WANT. Take advantage of this! SEND IN YOUR AD NOW.

WANT American Express Co. and other express company and Postal Money Orders. Also U.S. Government and Treasury checks. Larry Adams, 969 Park Circle, Boone, Iowa 50036

TRADE I will trade 5 or 10 good old checks before 1900 with vignettes, will trade equal value. Don Wigington, Quinter, Kansas 67752

WANT What have you got that is old from Cincinnati, Ohio? Robert Flaig, P.O. Box 27112, Cincinnati, Ohio 45227

OFFER Will send list of old checks that I have for sale, send stamp for list. Don Wigington, Quinter, Kansas 67752

WANT Copy of book HISTORY OF RATION BANKING (1947) by Joseph Alexander Kershaw. OPA Government Publication 2. 150 pp. Larry Adams, 969 Park Circle, Boone, Iowa 50036

WANT More CCRT members to use this column!

WANT Cincinnati, Ohio Exposition items, Obsolete Cincinnati bank notes, cut-cancel devices and old Cincinnati cheques. Robert Flaig P.O. Box 27112, Cincinnati, Ohio 45227.

WANT All clippings, articles etc. related to our hobby or CCRT for our historical files and scrapbook. Send to editor.

FOR SALE Copy of book VALUABLE EXTINCT SECURITIES (1929) by R. M. Smythe. $15.00. Larry Adams, 969 Park Circle, Boone, Iowa 50036

BUY OR TRADE Nevada checks, stock certificates, tokens or any paper material. William J. Metscher, Box 664, Tonopah, Nevada 89049

WANT Buying ALL Railroad Stock Certificates - Bonds, any quantity. Cash for all Revolutionary and Civil War paper items. Send what you wish to sell for my immediate payment. Robert Mills, P.O. Box 9246, St. Louis, Missouri 63117

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SHIRT CHEQUES

Over the years many unusual types of cheques have been written like the one the farmer wrote out on a cow or another written on an egg. Another unusual one has just come to light having been written on a shirt. It would seem that Long Eaton Council sent out a rate demand for £ 60 for which the occupier of the house was not at all pleased to receive, so having decided that the Council was after every penny that he had, he thought they might as well have the shirt on his back - which was exactly what they got. It must have been rather a surprise to receive a shirt instead of the usual form of cheque, however Barclays Bank Limited cashed the Shirt-Cheque and the sender will receive his shirt back with his next bank statement.

CLEARING HOUSE - Additions

WANT Have $100.00 cash for Early Colorado checks. Need large lot. Please send sample and your price desired. Don Havens, 5125 W. Alameda, Denver, Colo. 80219

SELL TRADE Have Wells Fargo items; Covers, Checks, Way Bills, Stock Certificates, also Canadian Coins and Tokens. Sell or Trade. George Story, Sr., 1920 N.W. 12th St., Oklahoma City, Okla. 73106

SALE TRADE Small list of duplicates for sale or trade. Sample listings: Wells Fargo & Co's Bank (S.F. branch) personal check on pink paper, 1892, COLUMBIA, CALIF., 1892 - $3.00. Another, WOODSFIELD, OHIO, Monroe County Bank: check w/locomotive vignette and revenue imprint; some yellowed or folded 1876 -50¢ ea.(best specimens will be sent first). Otto V. Barlow, 1025 Olive St #2, Santa Barbara, Calif. 93101.

WANT TRADE Who has any early Colorado Checks?
I have Adolph Sutro - Wells Fargo's for Trade - Colo.
Don Havens, 5125 W. Alameda, Denver, Colo. 80219

WANT Kansas checks before 1875 on Atchison, Leavenworth, Topeka and Lawrence. Have some Kansas in the 1860's and 70's and Mass. in the 1870's to trade; all with reverues.
S.K. Whitfield, Rte. 4, Box 44, Lawrence, Ks. 66044.

SELL TRADE Have Wells Fargo items, covers, checks, waybills, stock certificates. Also Canadian coins and tokens, sell or trade.
George Story, Sr., 1920 NW 12th St., Oklahoma City, Okla. 73106

SALE Small list of duplicates for sale or trade---SASE or stamp appreciated. Sample listings: Columbia, Calif. Wells Fargo & Co's bank, (S.F. branch) personal check on pink paper, 1892, $3.00; Placerville, Cal., A Mierson Banking Co, large "Customers' Draft" used by the Sherman Mine of Placerville, 1905, 75¢; Bisbee, Ariz., The Bank of Bisbee, Late Arizona Territory (1906-7) mining checks of Transvaal Copper Mining Co. with colorful Mexican revenue stamps of various denominations on reverse. Most have multiple endorsements in English/or Spanish, payable in "Mexican Silver" - $2.00 each. Send for complete list. Otto V. Barlow, 1025 Clive St. #2, Santa Barbara, Cal. 90101

SALE Paid modern English Cheques 1960's, 70's. A variety of banks and a real mixture of cancels. Some with printed fiscal stamp. Price $13.00 per 100 seamail prepaid, or $1.00 for 10 samples. Also Passports of Thomond and State of Cuckfield dated 1967. $3.00 each seamail prepaid. Brian C. Smith, 20 Beckets Way, Framfield, Uckfield, Surrey, England.

WANT Wanted Missouri Banking Material including NATIONAL CURRENCY, CHECKS, OBSOLETE NOTES and others from St. Louis, Maplewood, Clayton, Manchester, Carondelet and St. Charles. Ronald Horstman, Route #2, Gerald, Missouri 63037.

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Please make certin when writing an ad or article that the item you refer to is actually a check or bank draft or whatever, identify the instrument by its correct name. This is the only way a member can place an order and expect to receive what he has ordered.

-~~CHECK~~ REFERENCE MATERIAL ------

Articles that have appeared in various publications on some phase (or related phase) of check collecting are listed below. All items, copy or illustrations are related to our collecting interests. Items you may find are welcome for reporting here - send them in.

Publication	Issue date	Title	Page #
Coin World	Aug 8/73	Chit Books Offer Collecting Goal - Gives description and use of coupon form of this much used I.O.U.	65
Coin World	Aug.22/73	Colonial, Revolutionary Paper Rich in History - Early paper money illustrated, not listed in main reference books.	56
Coin World	Aug.22/73	Boston Center of New England Banking -Excellent article on early banking. Article is produced from two feature items that appeared in "Landmark '76" a periodic publication of the Federal Reserve Bank. Lists banks of New England in business in 1800 (16 banks), also gives date chartered and capital.	120
Coin World	Aug.22/73	Let's Glance Back To Numismatic 1773 by Eric P. Newman - Excellent article giving the money "picture" of our early days.	94
Coin World	Aug.22/73	Craftsman - Brief history of Paul Revere's title, "The Father of Bank Note Engraving in America"	84
Coin World	Sept.5/75	Face Lift Traveler's Check - Illustrates the old check with portrait of Bank of America founder, A.P. Giannini and the new check minus the portrait and additional scroll-work.	16
Coin World	Sept.19/73	Counterfeiting On Increase, SPMC Hears - Report of an illustrated presentation given by Robert P. Charles, Vice Pres. of sales of American Bank Note Co.	41
Points (Published by General Motors Truck and Coach Division for customers)	Sept.-Oct/73	Want a brand new hobby? Check Out Check Collecting This article illustrated in color - 6 colorful checks and an interesting article on the subject.	6
Tri-State Trader	Aug. 18/73	Autographs are 'Victims', Humidity is Enemy of Paper Collectibles Discussion of the subject.	1

CHECK REFERENCE MATERIAL (Cont'd.)

Publication	Issue date	Title	Page#
Bank Note Reporter	Jul. 73	Dungeon Rock Bond - Story of bonds issued to finance diggings for pirate treasure at Dungeon Rock which is now Lynn Woods in the city of Lynn, Mass. (Bond illustrated)	1
Bank Note Reporter	Aug. 73	Checks Are Collector's Items Interesting checks discussed and illustrated: Chas. A. Lindbergh's check for $25,000 awarded for first non-stop flight from NY to Paris, also illustrated is a personal check of Ben Franklin and one of George Washington.	3
Hobbies To Enjoy	Fall 73	Discusses activities in the check collecting hobby (5 pages) Interesting checks illustrated.	20
The Rag Picker (Official publication of Paper Money Collectors of Michigan)	Jul-Aug 1973	Georgia's Littlest Wildcat, The Exchange Bank of Brunswick - Report of a bank that refused to redeem its notes outstanding.	109
American Revenuer (Official publication of American Revenue Association)	Oct. 73	The RN-FAC Report: Section Three - New RN-FAC reported on and illustrated.	Front Cover
Numismatic Scrapbook	Jul. 73	War Savings Stamps Convert to Bonds - Discussion of promotion and selling of war savings stamps and bonds to help war efforts of WW I and II. Illustrated.	620
Numismatic Scrapbook	Jul. 73	Numismatics of 'Old Alabama' Cont'd from June 73 issue	638
Numismatic Scrapbook	Sept 73	Numismatics of 'Old Alabama' - Cont'd from July 73 issue.	824
Numismatic Scrapbook	Sept 73	Numismatic Oriented Stocks - Listing of current numismatic oriented stocks that are presently available in the security markets. Gives ticker symbol, shares outstanding, complete name of company and price for May, June & Jul. 73. Listed by groups: Precious Metals Mining Stocks, South African Mining Stocks, Precious Metals Refining & Fabricating Stocks, Bank-Financial & Credit Card Stocks and Security Printers Stocks.	852
Numismatic Scrapbook	Oct. 73	Photos Key to Coin Collection Records - While devoted to photographing coins, much of the info. can also be applied to paper items.	930

CHECK REFERENCE MATERIAL (Cont'd.)

Publication	Issue date	Title	Page #
		Photos Key to Coin Collecting Cont'd. - Gives methods with use of even simplest of equipment. Info. given in depth and illustrated.	
The Numismatist (Official monthly publication of the American Numismatic Association)	July 73	Why Collect Checks? (Checks Can Tell an Interesting Story) - by CCRT Member William C. Henderson. Another of a continuing and informative series of true happenings of the great gold mining days. This one on the great gold camp of Cripple Creek - Portland Mine. Illustrated with related share certificate, check and mining area.	1173
The Numismatist	Aug. 73	Why Collect Checks? (Checks Can Tell an Interesting Story) - As above, this one "The Story of the Elkton Mine or How $36.50 Worth of Groceries Made Two Men Millionaires" Illustrated...Elkton Mine, drafts and map.	1377
The Numismatist	Sept 73	Why Collect Checks? (Checks Can Tell an Interesting Story). A continuation of this interesting series of Cripple Creek mining stories. This one, "John Nolon Liquor Co... The story of a Compassionate Bar Tender". Gives insight into this town's daily life and happenings. Illustrated...check and photos of buildings involved in the story.	1591
The Numismatist	Oct. 73	Why Collect Checks? (Checks can Tell an Interesting Story) Another in this series of interesting Cripple Creek mining stories. This one, "The C.O.D. Mine or Mighty Oaks From Little Acorns Grow". Tells of how certain men prospered. Illustrated...C.O.D. Mine, check, draft, area scenes.	1769

(Each complete story in the above series is concluded with a Bibliography)

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Should any member have an interest in joining or subscribing to any of the publications or organizations listed in the Check Reference section, your editor will be pleased to send you the necessary forms or put you in touch with the proper person to be contacted.

These listings are from the sources your editor knows about, there must be many others he has no knowledge of. Please share reference material you know about with all members....send to your editor.

CHECK REFERENCE MATERIAL (Cont'd.)

Publication	Issue Date	Title	Page #
Paper Money (Official publication of Society of Paper Money Collectors)	Vol 12 No. 2 1973	Descriptive Listing of MONTANA Bank Notes, Drafts, Script and Warrants - by Harry G. Wigington Excellent in depth article (19 pages in length). Definitely excellent reference material. Subject headings within article: Montana Banking History, The Influence of Gold, Checks & Drafts Become Currency, Exchange Bankers, Establishment of Conventional Banks, Fractional Currency, Military Post Traders, Territorial Warrants and Statehood and the Copper Era. Also Imprinters listed. Items listed by city & town. Many illustrations.	55
Paper Money	Vol 12 No. 2 1973	Scottish Banks, Banking and THE ROYAL BANK OF SCOTLAND LIMITED - Illustrated	83
Paper Money	Vol 12 No. 3 1973	Counterfeit-Proof(?) Currency Designs of 1869 and Later Years. Excellentfor those interested in counterfeiting measures.Illustrated.	122
Paper Money	Vol 12 No. 3 1973	The First State Bank of Indiana-History of bank, notes Illustrated.	131
Paper Money	Vol 12 No. 3 1973	A Drawback Certificate - Defined as, "Money paid back or remitted after being collected, especially duties or customs repaid when the items on which they were collected are exported". Illustrated. Detailed discussion.	135

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PIONEER IMPRINTS FROM FIFTY STATES - This attractive, hardbound book by the Library of Congress contains photographs of the earliest examples of printing from within the present boundaries of each state in the Union. The book describes how printing came about in each state, and includes drawings of many of the prominent persons involved. Examples of the early printing are identified such as broadsides, newspapers, individual laws, almanacs, primers and longer works. Information about the exact place of origin is also provided, if available. Pioneer Imprints will give you an idea of the movement of printers and presses across the nation, as well as an insight into the nature and history of the Library of Congress holdings. 1973. 87 pp Ill. Cloth $4.25. Available from Public Documents Distribution Center, Pueblo, Colo 81009 or Public Documents Distribution Center, Philadelphia, Pa.

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The Fifty Largest Commercial Banking Companies Outside The U.S. Lists assets, increase over previous year, deposits, loans, offices and number of employees. With page of commentary. Fortune Magazine, Sept. 73 issue, page 210.

End

BOOK REVIEW

Larry Adams (CCRT #4) 969 Park Circle, Boone, Iowa 50036

BANKING IN FRONTIER IOWA 1836-1865 (1971) by Erling A. Erickson
183 pp. $7.50 Iowa State University Press, Ames, Iowa 50010

The publication of this book marks the first on early Iowa banking published since Preston's HISTORY OF BANKING IN IOWA, in 1922.

Prior to the establishment of a national banking system, the American States were essentially left to fend for themselves in the creation of a paper currency. The decentralized and often chaotic character of the resulting banking system makes it necessary to study the individual states to determine and understand the course of American banking development during this period.

This history follows Iowa's development from an unpopulated wilderness to a state with over a half-million citizens. Like many other states, Iowa experimented with several different banking systems in its efforts to meet the demand for a sound and flexible currency. For a time it even outlawed banks of issue. The state's interesting contact with the national market and the subsequent commercialization of agriculture, however, weakened agrarian hostility to banks; on the eve of the Civil War, banks were at last legalized in Iowa.

Banking in Frontier Iowa 1836-1865 discusses such significant questions as: Why was it difficult to place state banking on a sound basis? What was the relationship of banks to politics? What substitute financial institutions developed when banks of issue were outlawed? How successful was the state in creating a banking system that catered to the monetary and credit needs of all economic elements of the population? The answers to these questions provide comprehensive coverage not only of Iowa's banking in this period but of its political history, economic development, and settlement as well.

The book includes photographs of several pioneer Iowa bankers and statesmen; for example - Hoyt Sherman and B.F. Allen, bankers, and Stephen Hempstead and James W. Grimes, governors of Iowa.

Illustrations are also provided for several obsolete bank notes, although the author does not attempt to catalog or provide a listing of known Iowa issues. Notes shown are $3, $5, and $10 notes on the State Bank of Iowa, an uncut sheet of two $5 notes on the Miners' Bank of Dubuque, $1 and $5 notes on the Agricultural Bank of Tennessee, circulated in Iowa by A.J. Stevens and Company, and a $10 State Bank of Indiana note - counterfeit, circulated in Iowa.

This book is well documented with an annotated appendix and a detailed bibliography of both books and articles which is very useful to the student and researcher of this subject. If you are interested in Iowa bank history, obsolete notes, or checks, this volume would be a welcome addition to your reference library.

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COLLECTORS

DEALERS

DAVID KEABLE & MRS. E. SALTER,
69 Elmfield Way,
Sanderstead, Surrey. U.K.

WILL PAY TOP PRICES FOR

BRITISH - BRITISH COLONIAL - EUROPEAN

19th. CENTURY

Cheques - Shares - Bills of Exchange -
Postal Orders - Historical Documents
Napoleonic Prisoner of War Items ---
English, American, French, German.

CLIENTS WAITING NOW FOR YOUR

SPARES

REPORT OF CCRT's FOURTH ANNUAL MEETING HELD IN BOSTON ON AUG. 25, 1973

Meeting called to order by Bob Flaig at 2 PM with 56 members and guests present.

Bob welcomed guests and members and extended an invitation to guests to join CCRT. He also expressed appreciation to the General Chairman of the Convention, Mr. Arthur Fitts and his staff for their co-operation in providing the fine meeting facilities.

In as much as time was at a premium, subordinate matters were kept to a minimum - this being the most important meeting CCRT has held to date. Brief mention was made regarding matters of operating procedures, problems, etc. Also mentioned was the need for a public relations person or news reporter. Experience shows CCRT membership always increases as a direct result of publicity in numismatic and other related national publications. Bob stated cooperation of the media has been excellent when we have information to send them. A fine example was the ANA Convention issue of Coin World wherein information about our meeting, etc. was presented. Bob sent the material at a very late date, yet they cooperated to the fullest in getting it in the convention issue. He expressed appreciation and thanks to Mrs. Margo Russell, Coin World Editor and to the many other publications for their fine co-operation in spreading the word of our hobby.

Bob Flaig also stated, "It would have been impossible to continue to operate CCRT without the dues increase that was voted on and approved at the 1972 meeting in New Orleans. Publication costs of The Check List, postage, paper, supplies, etc. have certainly increased this past year. From what remains in the treasury for this year, one more issue must be produced and mailed and undoubtedly attorney fees and filing costs for incorporation papers must also be met. Increased membership and increased member participation in advertising in The Check List are our two best opportunities to build up a cash reserve. I strongly urge all members to work toward increasing our membership."

At this point Membership and Treasurer's Report was presented by Jeane Flaig:

Members as of August 23rd, 1973 - 292, including 21 members outside of the United States.

Balance in checking account, January 1973		$ 784.99
Income to August 23, 1973		943.89
	Total	$ 1728.88
Disbursements to August 23, 1973		1551.67
Total in checking account as of August 8, 1973		$ 177.21

Following this report Bob Flaig stated, "And now having said all this we come to the most important part of this or any other meeting we have ever held! This is to be our initial Incorporation Meeting to make CCRT a chartered, incorporated, non-profit organization under the laws of the State of New Mexico. From the actions and elections taking place today, rests the future of CCRT."

The Articles of Incorporation and By-Laws were then read by Bob so that all present at the meeting might have a better understanding of how CCRT will operate in the future. At the conclusion of the reading, a

motion was made by Mr. E. Moore and seconded by Mr. R. Ekeblad, that the Articles of Incorporation and By-Laws be accepted as read. This was accepted by the unanimous vote of all members present.

Prior to nominations and election, Bob Flaig requested a member volunteer to act as "Interim Chairman" to conduct this part of the meeting. Mr. Ken Hallenbeck accepted and was Chairman of this important nomination and election procedure.

The following members names were placed in nomination and seconded: Robert Duphorne, Robert Flaig, Jeane Flaig, H. Don Allen, Larry Adams, June Budd, Arthur Curths, William Henderson, Jon Cook, Ray Ekeblad, Jim Stone, Alva Christensen, Ralph Werve and Walter Allan. All fourteen candidates nominated for positions on CCRT's first board of directors were elected by acclamation. Mr. Hallenbeck then stated, "So now the true democratic process strikes again and we now have a board of fourteen directors." At this point Bob Flaig took over the chairmanship of the meeting.

Bob announced, "At the conclusion of this general meeting, a first board of directors meeting must convene in order to elect club officers for the year. This must be done in order to comply with the state laws and filing procedures of New Mexico." (The report of election of club officers will follow the minutes of the general meeting.)

The remainder of the meeting was devoted to an outstanding program presented by two of our members, Mr. William Henderson and Professor H. Don Allen. Mr. Henderson who is well known for his wealth of information and tales of the Gold Rush days, mining and early western banking related the story entitled, "The World's Greatest Gold Camp." Professor Allen who is also well known for his vast informative presentations, being a student, researcher and authority on modern banking and the material items that have evolved from these modern concepts of banking, gave an interesting talk under the title of "Numismatic Ramblings of a Modern Check Collector."

With the conclusion of program, the Fourth Annual Meeting of CCRT, the most important meeting in the Club's short history, was adjourned at 4:35 PM.

Respectfully submitted,

Jeane Flaig

Jeane Flaig
Acting Secretary

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Robert Flaig was chosen temporary chairman of the meeting and Jeane Flaig was appointed temporary secretary of the meeting and kept the minutes.

The chairman submitted to the directors a copy of The Articles of Incorporation of the corporation and a set of By-Laws for the corporation. On motions duly made, seconded and unamimously carried, it was resolved that both The Articles of Incorporation and the By-Laws, as read, be accepted and approved by the board members present.

Nominations for officers were duly made, seconded and unanimously carried; the following officers were elected:

President	Robert Flaig
First Vice Pres.	H. Don Allen
Second Vice Pres.	Arthur Curths
Secretary	James Stone
Membership Sec'y.	Larry Adams
Treasurer	Jon Cook

Directors Terms of office are:

One Year	Two Years	Three Years
Robert Flaig	H. Don Allen	Arthur Curths
James Stone	Alva Christensen	Larry Adams
Robert Duphorne	June Budd	Jon Cook
Jeane Flaig		
Ray Ekeblad		
Walter Allan		
William Henderson		
Ralph Werve		

Each to serve until his successor has been duly elected and qualified or until his prior death, resignation or termination or suspension of membership in accordance with the By-Laws of the corporation.

Because of the late hour it was decided that any pending matter should be tabled for the present and discussed via correspondence between members of the board.

Motion made, seconded and carried that meeting be adjourned at 11:55 PM.

Respectfully submitted,

Jeane Flaig
Acting Secretary

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WHERE DOES T.C.L. GO?

Besides members, TCL is regularly sent to a number of organizations, museums, libraries etc., some of which we are on an exchange basis. Copies are sent All State Hobby Club, A.N.A. Library, American Revenue Association, California State Numismatic Association, Gale Research, Ralph Foster Museum, Society of Paper Money Collectors Library, Society of Ration Token Collectors, Smithsonian Institution (Division of Numismatics), The Manuscript Society, Paper Money Collectors of Michigan, Miami University (Ohio) King Library, and approximately ten antique and numismatic trade publications. Publications authorizing us to reprint articles are also sent copies of TCL containing the specific article.

NEIL SOWARDS

548 Home Avenue Fort Wayne, Indiana 46807

(219) 745-3858

EARLY BCARCE CHECKS!

These were found in a small hoard of Colonial paper. There was only one of each and so are quite scarce.

1. Phil. June 22, 1785! Printed "Cashier of the Bank, Pay to Wm Jacob Cohen or Bearer, Twenty Nine Dollars. $29 Dollers" E. Dutilh & Co. Hand written onlined.....$100.00

2. Philadelpnia 1791 Dec. 25. "Cashier of the Bank.etc" Signed E. Dutilh J. Wachsmuth.....$ 50.00

3. Bank of Pennsylvania Oct. 6, 1794- Also Wachsmuth.....$ 50.00

4. Bank of United States Phil. Nov. 1, 1792 All hand-Written check. Also Wachsmuth.....$ 50.00

5. Baltimore Feb. 17, 1794 Hand written checks to cashier of Office of Discount and Deposit. Sign John Bte. Loise..$ 50.00

6. Bank of United States 1809 Sept. 30, Phil. Signed by Stephen Dutilh.....$ 18.00

7. Bank of Penna. 1818 Phil. Signed Charles Croft.....$ 18.00

OTHER INTERESTING PAPER

8. Hand written receipt - Phil. 1817 for 50 shares of U. States Bank Stock at $155 a share - $7,750.00.....$ 25.00

9. 1809-10 Phil. Promissory Note-Hand written.....$ 5.00

10. Hand written Receipt "Recd from Mr. Dutilh, One hundred and twenty Dollars for the Freight on Eight Bags of Dollars 15th April 1801. Wm Bainbridge" Reverse "Receipt ...for freight of specie from Hav."....$ 10.00

BUY SELL

United States Coins, Bank Notes, Foreign Coins and Notes
Tokens of All Kinds, Ancient Coins, Checks, Bonds, Stock

CHECK EXCHANGE NEWS

Ray Rathjen (CCRT #12) 4047 Graham St., Pleasanton, Calif. 94566

Activity in the Exchange has picked up a bit recently with most of the trading in counter checks and in period 5 and 6, with period 4 checks dropping behind for the first time. I have been getting so many unusual trade requests that I think it is time for a repeat of a few of the rules: A maximum of 20 per trade so everyone will have an equal chance. Please include SASE and write your CCRT number lightly in pencil on the back. You will receive checks of the same value and period in exchange.

I can send no checks for you to look over before you trade and I have no checks with scarce revenue stamps, however you are missing a bet if you overlook the new counter checks and the period 5 checks!

New members, try this free exchange service.

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THE QUESTION BOX

Lonnie Buss (CCRT #285) Star Route Box 3, Cozad, Nebr. 69130

The only question we have to ask this time is why not one single question or answer was received for publication in this issue??? It's hard to believe with over 300 members, no one has any questions. This column could be a worthwhile and informative, if only we'll use it. We have experienced persons of authority on just about all phases of our hobby to answer your questions, if only you'll send them in - Let's have a listing for the next issue.

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ENGLISH BANKING QUESTIONS

Vincent Pearson, CCRT's English and European Representative, notes that he has received a number of requests from the States regarding certain English banking instruments and he states, "It would seem that the Question Box has not been used due to the details required being English, however I think members would be better served by replies of this nature (English Only) being listed in T.C.L. from which all members would benefit."

Vincent has offered to answer those questions which deal with English material only and will send his answers for publication in T.C.L. The first issue of 1974 will contain answers to those questions already submitted to him, plus any others that are received in time.

If original material is sent for inspection relative to the question(s) asked, it must be accompanied by sufficient Air Mail postage, plus insurance for its safe return to the sender, otherwise either send photos or good Xerox copies giving a complete description as to color, size, watermarks and any other details that might be required.

English related questions should be directed to Vincent Pearson, 39 Skipton Ave., Southport, Lancashire PR9 8JP, England. Ø

WHAT MEMBERS ARE DOING AND SAYING

Al Wick, one of CCRT's most ener etic members has done it again - Al "placed" with his check exhibit at the recent show of the Misscuri Numismatic Society of St. Louis held August 17-19. Congratulations Al! In addition he was Program Chairman for this show. In his "spare time" he publishes Hobbies To Enjoy twice yearly which covers just about every hobby you can think of. The fall issue of HTE, some 80 pages of hobby news, features five pages on the check collecting hobby with many illustrations. Since Al became interested in checks a few years back, every issue of his interesting publication has contained articles on the check collecting hobby. If you would like to receive this different and interesting book, as Al calls it, drop him a line at P.O. Box 2242, St. Louis, Mo. 63109. $2.00 per year, $1.00 per copy. Al will be happy to hear from you; tell him CCRT sent you.

-O-

Thanks to member William C. Henderson, each issue of The Numismatist since June has contained an interesting story related to the Cripple Creek mining area during its famous days. Each complete episode begins under the heading "Why Collect Checks (Checks Can Tell an Interesting Story)". (All have been listed under the Check Reference Section of TCI.)Mr Henderson has a distinct skill in creatively presenting the reader, the situations and characters as they were back in those old mining days and all his stories are illustrated with area scenes, people and related banking instruments.

Since this series began Mr. Henderson has been deluged with requests for speaking engagements to relate these and additional stories. Those of you who have had the opportunity to hear Mr. Henderson know his stories are presented so interestingly, you are only sorry when he has reached the end - you want to hear more.

Mr. Henderson was an active participant at our CCRT meeting in Boston, assisting in our efforts in incorporation and to climax it all, after the business session of the meeting he favored us with one of his colorful mining stories.

-O-

Member Don Allen was extremely active during the recent ANA Convention. He seemed to be every where at once. Besides being a speaker for the Young Numismatists, Don took the necessary time to be an active participant in our CCRT incorporation meeting and later the same night attended our first board meeting. Following the general membership meeting, Don gave an enthusiastic presentation on his particular area of interest under the title of "Numismatic Ramblings of a Modern Check Collector". He illustrated his talk with checks and other material, including the new form of money, the Constant.

CCRT has its first Associate Member, Nigel Allen, Don's son who was in attendance at our meeting and participated with some excellent comments. CCRT welcomes Nigel and hopes before long he'll have company in the Associate Member category. We look forward to Nigel's participation.

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U.S. HAS A NEW FORM OF POSTAL MONEY ORDER

The new order is printed in a yellow-gold color with overall background design and eagle in center. Left side has the rather new U.S. Postal Service symbol of eagle (this one printed in black). Orders are available in amounts up to $300. Senders receipt is a blue color.

No. 216
Oct. 73

THE CHECK PAYMENTS SYSTEM AND THE FIFTH DISTRICT REGIONAL CLEARING PLAN

Concluded here is the discussion from the July 1973 issue of T.C.I. on the subject of the continuing increase in the volume of checks being written and the problems this increase is causing and what is contemplated to relieve it.

Part II

Federal Reserve Check Collection — The Present System and Its Shortcomings

THE STRUCTURE OF THE SYSTEM

The structure of the Federal Reserve check collection mechanism corresponds to the general administrative and geographic structure of the Federal Reserve System as a whole. As is well known, there are 12 Federal Reserve Banks. Each Bank serves a geographic district. Moreover, these districts (excepting the First and Third Districts) are further subdivided into territories, each of which is served by a Federal Reserve office.[1] The territory is the basic structural element in the

[1] Figure 5 shows Federal Reserve districts and their subordinate territories.

Figure 5

FEDERAL RESERVE DISTRICTS AND TERRITORIES

collection system. The territorial Federal Reserve office—either the head office or a branch of a Federal Reserve Bank—serves as a clearinghouse for nonlocal, intraterritorial checks. (Most local items continue to be collected through private clearinghouses or by direct over-the-counter presentment.) At the next level, the Federal Reserve System as a whole, through its Interdistrict Settlement Fund, acts as a clearinghouse for checks that represent transactions between parties located in different Federal Reserve territories.

Figure 6 depicts the system in somewhat greater detail. Assume that First National Bank, a Federal Reserve member bank located in a particular Federal Reserve territory, receives a check from one of its depositors drawn on First Trust Bank, another member bank. The Figure 6 diagrams illustrate the collection process under two alternative assumptions regarding the location of First Trust.

Figure 6

STRUCTURE OF THE FEDERAL RESERVE CHECK COLLECTION MECHANISM

INTRATERRITORIAL COLLECTION The diagram at the top of the figure describes the process where First Trust is situated in the same territory as First National. First National sends the check to the check collection department at its territorial Federal Reserve office. The office groups the item with other checks drawn on First Trust and, since First Trust is within its territory, dispatches all of the items directly to First Trust. Since both banks are member banks, each has a reserve account at the Federal Reserve office. The accounting department at the office credits the item to First National's account and charges the item to First Trust's account.

INTERTERRITORIAL COLLECTION The diagram at the bottom of the figure illustrates the procedure where First Trust is located in a different territory, either within the same Federal Reserve district or in a different district. First National sends the check to its Federal Reserve office. This office sorts the check with other items drawn on banks located in First Trust's territory and dispatches the item to the Federal Reserve office serving that territory. The latter office then sorts the check with other First Trust items and dispatches the resulting bundle to First Trust. Under current operating rules, collecting banks sometimes send checks directly to the Federal Reserve office serving the drawee bank's territory, bypassing the sending bank's Reserve office and reducing collection time. This variation is depicted by the dashed arrow in the diagram.

If First National and First Trust are located in different territories, reserves must be transferred from First Trust's account at its Reserve office to First National's account at its Reserve office. To accomplish such transfers, each territorial Reserve office maintains an account with the System's Interdistrict Settlement Fund, which serves as a clearinghouse for the 36 Reserve offices throughout the nation. In the present case, First National's Reserve office is credited, and First Trust's Reserve office is charged on the Fund's books. The office serving First National then credits First National's reserve account, and the office serving First Trust charges First Trust's account.

COLLECTION VS. CLEARING The above illustration considered one check traveling in one direction between two banks and therefore constitutes a description of the procedure by which an individual check is **collected.** Suppose that both First National and First Trust are receiving checks drawn on the other bank on a daily basis, and both are collecting these checks through the Federal Reserve. With both institutions maintaining Federal Reserve accounts, the Federal Reserve would then be **clearing** checks between the two banks.

SOME OPERATIONAL PRACTICES

ELIGIBLE WORK As indicated above, the Federal Reserve accepts checks for collection from all member banks and from nonmember banks that maintain clearing balances at a Federal Reserve Bank.

checks are accepted without regard to drawee institution except that items drawn on the few remaining nonpar banks are not accepted unless they are being collected on behalf of a Government agency. In addition to ordinary checks, the Reserve Banks accept and collect U. S. Government checks, postal money orders, food coupons, and food certificates.

Strictly speaking, the Federal Reserve System functions as a clearinghouse only for banks that maintain Federal Reserve accounts. In reality, however, the System clears checks indirectly for nonmember banks not holding accounts because the larger correspondent banks, most of which are member banks, use the System's facilities to collect items for their nonmember respondents. To illustrate, suppose that nonmember bank A sends checks drawn on nonmember bank B to its member correspondent and that the correspondent collects the items through the Federal Reserve. Assume further that bank B sends checks drawn on bank A to a different member correspondent and that the latter correspondent also collects through the Federal Reserve. In essence, the Federal Reserve has cleared the items for banks A and B even though the clearing has been carried out indirectly through the reserve accounts of the two correspondent banks.

It is generally believed that the Federal Reserve receives, either directly or indirectly, about one-third of all checks written on commercial banks, amounting to about eight billion items per year at current volume levels.

CREDIT DEFERMENT TIME SCHEDULES Each territorial Federal Reserve office establishes its own credit deferment time schedule for work presented to it for collection. Because technological advances in check processing and transportation improvements have reduced the time required to collect many checks, these deferment periods have been progressively shortened. At present, credit is never deferred more than two business days following the receipt of an item. Each item is classified in one of three credit availability categories: immediate (same day) credit, one-day credit, or two-day credit.

The time schedule of this Bank's Head Office provides a representative example. Immediate credit is given for all checks drawn on Richmond city banks that are deposited by 9:00 a.m. Monday through Friday. Same day credit is also extended for U. S. Government checks and postal money orders received by 1:00 p.m. Monday-Friday. Credit is deferred one business day for items payable in the Richmond Office territory and for items payable in 17 cities where Federal Reserve offices are located, including points as distant as New Orleans, Buffalo, and Chicago. Credit is deferred two business days for all other items. The closing hour or "cut-off" for all deferred work is 1:00 p.m. Monday-Friday and 11:00 a.m. Saturday.* Items received after this deadline are considered received on the following business day for purposes of credit deferment computation.

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*The deadline for [illegible] is [illegible] p.m. Monday-Friday.

CHECK SHIPMENTS At present, collecting banks arrange and pay for item shipments from their respective offices to the Federal Reserve. The Federal Reserve arranges and pays for the shipment of items between Federal Reserve offices and from Federal Reserve offices to drawee banks.

WHAT'S WRONG WITH THE SYSTEM?

Most knowledgeable observers believe that the Federal Reserve collection and clearing system functions reasonably well in view of the billions of checks that flow through its channels annually. But a number of fairly obvious flaws hamper the system's performance. Some of these shortcomings are structural in nature; others are operational.

THE CLEARING AREA PROBLEM As pointed out above, each Federal Reserve office acts as a clearinghouse for nonlocal, intraterritorial collections within the territory it serves. The reader will recall the illustration given in the preceding section of this article emphasizing the need for congruence between clearing areas and commercial trade areas. At present, Federal Reserve territorial boundaries do not generally coincide with trade area patterns due in part to shifts in regional economic configurations since the territories were drawn. In particular, many Federal Reserve territorial boundaries cut through trade areas. The Fifth District provides a good example. Figure 7 displays Fifth District territorial boundaries. Anyone familiar with the region will immediately recognize that the three territories only partially resemble regional trade areas within the District.

The most glaring mismatch is in the northern part of the District in the vicinity of Washington and Baltimore. These two major metropolitan areas, which are located within 40 miles of each other, form a highly integrated urban-commercial complex reflected in the pattern of area payments flows. For example, it is quite common for residents of Baltimore and Maryland suburban areas to shop in Washington or Washington's northern Virginia suburbs and conversely. Yet Washington and its northern Virginia suburbs are part of the Head Office Territory while Baltimore, its suburbs, and the Maryland suburbs of Washington are part of the Baltimore Branch Territory. As a result, Federal Reserve collection and clearing service to the area was, until quite recently, grossly inefficient. Checks drawn on Maryland banks deposited in Washington or northern Virginia banks were often sent to Richmond and then to Baltimore before being returned to drawee banks even though only a few miles (or, in some cases, a few blocks) separated the collecting and drawee institutions. Similarly, checks drawn on Washington or northern Virginia banks deposited in Maryland banks were sent to Baltimore and then to Richmond before returning to drawees. Obviously, these procedures wasted time and generated unnecessary shipments and handling. This situation has been corrected

by the Washington-Baltimore Clearing Center, which serves the green shaded area shown on the Figure 7 map. As one can see, this service area covers the entire Washington-Baltimore complex. Intraregional items now travel from collecting banks to the Center in Baltimore and then directly to drawee bank, bypassing Richmond.

To date, improvements such as those in the Washington-Baltimore area remain the exception rather than the rule. Many Federal Reserve territories throughout the nation include only part of a trade area or cover two or more separate trade areas. There are several instances in the Fifth District. Central West Virginia constitutes a distinct economic region centered on Charleston. As indicated by the Figure 7 map, this area is part of the Head Office territory along with most of Virginia and eastern North Carolina. Therefore, intra-Charleston area checks cleared through the Federal Reserve must travel to and from Richmond. Further, several of the northern West Virginia counties in the Fifth District are linked economically to Pittsburgh. When residents of this area shop in Pittsburgh, however, their checks, if collected through the Federal Reserve, often flow back to the towns where they are payable by way of Baltimore. Most of the available evidence suggests that eastern North Carolina now has stronger commercial ties with western North Carolina than with Virginia. Hence, eastern North Carolina banks are most likely to receive a check drawn on, say, Charlotte than a check drawn on Richmond. If cleared through the Federal Reserve, however, the Charlotte item usually returns to Charlotte by way of Richmond. Finally, there is considerable evidence that, because of its rapid recent growth, the city of Columbia, South Carolina, has emerged as the nucleus of a trade region linking much of central South Carolina. Yet the growing volume of intraregional checks within this area is collected through Charlotte. In view of these conditions, it is evident that clearing areas should be redesigned.

DAILY OPERATING SCHEDULES A principal reason why existing clearing areas pose a problem is that poorly delineated clearing boundaries retard Federal Reserve collection of many items. Collection delays are also caused by some of the operational practices that characterize the present system. One difficulty is the daily operating schedule. Most Federal Reserve offices receive and process the majority of their work during the day and deliver to drawee banks at night. Consequently, the cutoff for deferred items is commonly some late afternoon hour such as 4:00 p.m. Unfortunately, this schedule and commercial bank schedules are not always synchronized. Many banks, particularly in urban areas, remain open later in order to process checks deposited with rising volume, the trend toward later closing hours prevents banks from depositing many of the items they receive on a given day prior to that day's cutoff at the Federal Reserve, thereby delaying collection one day. Later cutoffs would significantly reduce the volume of such work. In order to achieve later deadlines, it will be necessary for Federal Reserve collection departments to compress processing schedules as

much as possible and to shift the bulk of processing operations from the daytime to the night hours.

NONMEMBER BANKS Clearing arrangements can serve a given clearing area with maximum efficiency only when most banks in the area participate. A majority of the nation's banks are not Federal Reserve members. Most nonmember banks take part in the territorial clearing of their respective Federal Reserve offices only indirectly through correspondent member banks. Nonmember work collected in this manner must be sent to a correspondent and handled by the correspondent before it reaches a Federal Reserve office. While there are reasons for withholding direct Federal Reserve collection services from nonmember banks, the practice is inefficient from the standpoint of the collection and clearing mechanism.

TRANSPORTATION FACILITIES As stated earlier, Federal Reserve offices ship processed checks to drawee banks; incoming transportation is the responsibility of sending banks. Consequently, a mishmash of in-

Figure 7

FIFTH DISTRICT TERRITORIES

coming shipment arrangements has developed over the years. Correspondent banks have partially filled the void by offering consolidated shipments to banks in certain areas. Nonetheless, the system is inadequate, particularly for transporting work from rural banks located some distance from a Federal Reserve office. Unnecessary delays are the result.

THE COSTS The shortcomings of present Federal Reserve collection practices have this in common: they all tend to delay collection and to waste resources.

Commercial bank float. Commercial banks normally credit a customer's account immediately when the customer deposits a check drawn on another bank. So-called commercial bank float arises whenever a depositing customer's account is credited for a check before the item is collected. During the collection period, the collecting bank cannot employ the funds represented by the deposit. The longer the delay, the greater the resulting loss.

Federal Reserve float. Federal Reserve float arises whenever a sending bank's reserve account is credited for an item before the drawee bank's reserve account is charged. Such float develops because, as noted above, reserve credit to sending banks is currently deferred no more than two business days after receipt of an item at a Federal Reserve office, even though many items require three or more days to collect. Federal Reserve float represents, in effect, an interest free Federal Reserve loan to commercial banks. Moreover, its existence makes it more difficult for the Federal Reserve to manage the collective reserve position of the banking system.

Circuitous routing. Several of the collection system deficiencies outlined above cause checks to be routed between the collecting bank and the drawee bank in a highly indirect fashion. When a check travels from Bluefield, West Virginia, to Huntington, West Virginia, by way of Richmond, basic economic resources are obviously wasted.

A WAY OUT Clearly, many of the problems associated with check payments will be overcome when checks are eliminated as a means of payment. In the meantime, the Federal Reserve has developed a two-pronged, near-term strategy designed to improve the check payments mechanism. The first element of this program has already been put into effect. In the past, many banks located outside of Federal Reserve office cities did not ordinarily remit for items presented to them for payment until one or two days after receipt. On November 9, 1972, Federal Reserve Regulation J was amended to require banks to remit on the day of receipt in immediately available funds.

The second element of the program, already in progress, is the creation of regional clearing centers similar to the pilot Washington-Baltimore Center both at existing Federal Reserve offices and, where necessary, at new facilities. The purpose of the Regulation J amend-

ments is to eliminate remittance delays after items have reached drawee banks. The principal goal of regional clearing centers is to accelerate presentment—that is, to reduce the time consumed between the dispatch of an item to the Federal Reserve and its delivery to a drawee bank. The final section of this article describes the Fifth District regional clearing program and indicates how the program deals with the defects of the existing system.

The Fifth District Regional Clearing Plan

AN OVERVIEW

This Bank's regional clearing plan is essentially an effort to apply the clearing principle to Fifth District collections more effectively than under current arrangements. The program's basic operational goal is to provide facilities permitting the overnight settlement of most deferred credit items drawn on Fifth District banks.[2] The program consists of two stages, hereinafter referred to as Phase 1 and Phase 2. The following paragraphs describe the more important features of the proposed system. As indicated, the existing Washington-Baltimore Regional Clearing Center is an integral part of the system.

Phase 1. During the first phase of the program, the District will be partitioned into clearing regions, clearing centers will be established in each region, and overnight settlement will be provided **within** each region. These regions have been drawn to coincide with the current geographic pattern of check payments. The delineation of the regions is such that one clearing center would be situated in each Fifth District state. In addition to the centers themselves, the plan calls for the establishment of relay stations to facilitate the shipment of incoming work from collecting banks to the centers. Each region is to be served by a transportation system that will (1) transport incoming checks from the relay stations to the center by air or rooftop ground means and (2) deliver processed items to drawee banks. Evening cutoff hours are to be put into effect both at the processing centers and at the relays. Within each region, cutoffs at the relays will be identical to deadlines at the center. Items will be processed during the night hours and delivered

[2] Overnight settlement means that a bank that presents a check for collection prior to the cutoff on one business day will receive credit for the item during the next business day.

to drawee banks the following morning. Sending banks are to receive credit each day for all work deposited prior to the cutoff hour the night before. Drawee banks will be charged each day for items presented to them for payment that day. By the completion of Phase 1 implementation, all centers would be accepting items drawn on banks in their respective regions from (1) any par bank in their region, (2) any direct-sending member bank, and (3) other Federal Reserve offices.

Phase 2. The second phase of the program would extend overnight settlement **between** regions throughout the Fifth District by means of a rapid transit network linking the five regional centers. Following the completion of this phase of the program, the District regional clearing system would be considered fully operational. Inter-District volume might justify further extensions of overnight settlement thereafter between Fifth District regions and clearing regions in other Federal Reserve districts. Such arrangements would be planned and implemented jointly with other Reserve Banks.

THE CLEARING REGIONS AND FACILITY LOCATIONS

Figure 8 shows the geographic boundaries of the proposed clearing regions.[10] In order to overcome the clearing area problem that arises out of the present three-territory configuration, the new regions have been drawn to conform to regional check flow patterns within the District, insofar as these patterns are known. Several detailed studies of regional trade areas were employed in delineating the new regions. In particular, extensive use was made of recent surveys conducted by the Office of Business Economics of the Department of Commerce and by the Rand McNally Company.[11] Using commutation statistics, retail market area surveys, and other data, these studies have defined geographic regions of substantial economic and commercial intercourse throughout the United States. Wherever possible, the information provided by these studies was supplemented by additional information from other sources such as banks familiar with particular local areas.

The Washington-Baltimore region. The region presently served by the Washington-Baltimore Center will be expanded by the addition of several counties on the Maryland Eastern Shore, in western Maryland, in northern Virginia, and in eastern West Virginia. The Center will continue to operate at the Baltimore Branch, and a relay station will remain in operation in Washington.

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[10] The Washington-Baltimore region is an extension of the area presently served by the Washington-Baltimore Center. Small changes in the boundaries shown on the map may be made prior to program implementation.

[11] The results of these studies are summarized by the following: (1) Office of Business Economics, U. S. Department of Commerce, "OBE Economic Areas," map dated September 28, 1967, and (2) "Trading Areas" in *Commercial Atlas and Marketing Guide* (New York: Rand McNally & Company, 1972), pp. 64-65.

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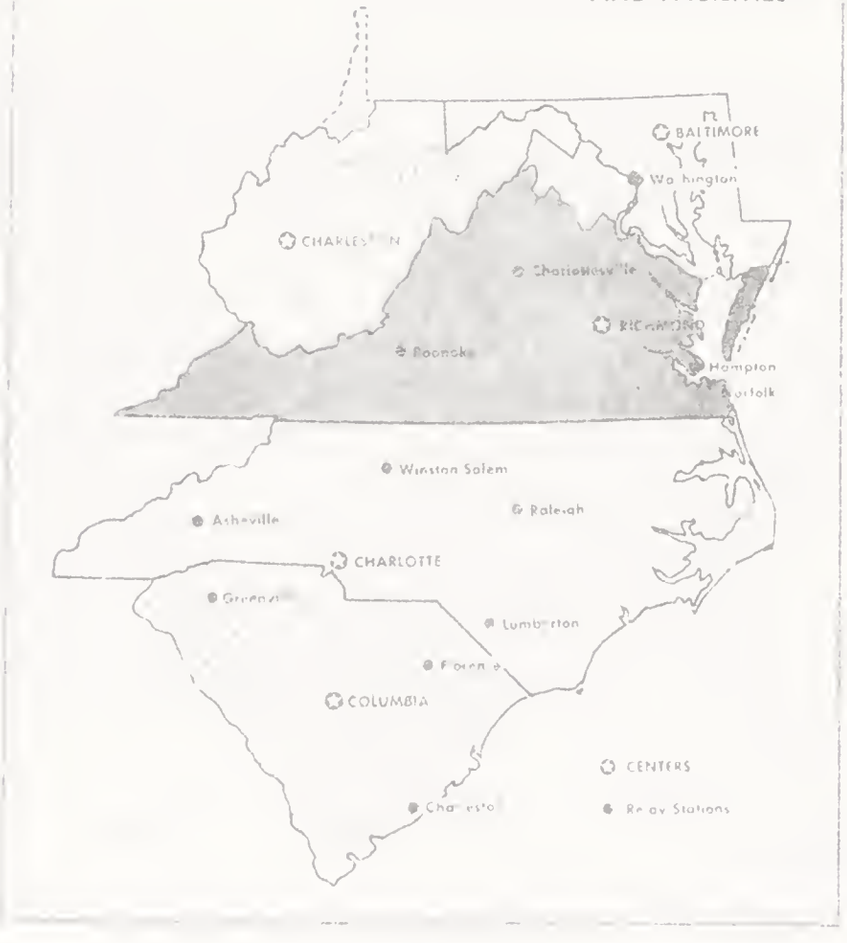
The Charleston, West Virginia, region. This region includes central and southern West Virginia. The processing center for the region would be located in the vicinity of Charleston. Relay locations have not yet been determined. Through an arrangement with the Federal Reserve Bank of Cleveland, seven Fifth District counties in northern West Virginia will become part of the clearing region to be served by the Cleveland Bank's Pittsburgh Branch. The counties are: Monongalia, Marion, Preston, Doddridge, Harrison, Taylor, and Barbour. Both regional studies cited above indicate that area check flows are oriented toward Pittsburgh rather than Charleston. In this instance, the program goes beyond territorial boundaries within the District in dealing with the clearing area problem.

The Richmond region. This region encompasses all of Virginia except for the northern Virginia counties included in the Washington-Baltimore region. The processing center would be located at the Rich-

Figure 8

FIFTH DISTRICT CLEARING REGIONS AND FACILITIES



mond Head Office, with relay stations in or near Roanoke, Charlottesville, Hampton, and Norfolk.

The Charlotte region. This region coincides with the state of North Carolina. The processing center will be operated at the Charlotte Branch. Relay stations will be located in or near Asheville, Greensboro-Winston-Salem, Raleigh, and Lumberton, and at least one additional site in the eastern part of the state.

The Columbia region. This region includes all of South Carolina. The processing center will be established in the vicinity of Columbia. Relay stations would be established in or near Greenville, Florence, and Charleston.

OPERATING CHARACTERISTICS OF THE NEW SYSTEM

In addition to surmounting the clearing area problem, the program is designed to eliminate some of the operational deficiencies associated with the present system.

Operating schedules. The work schedule of each center is to be built around a night processing operation, enabling the centers to offer evening cutoff hours for checks drawn on banks in their respective regions.[7] The evening cutoffs will apply to work that must be fully processed by the centers. To accelerate collection as much as possible, each center will accept work that is presented by individual drawee banks up to some early morning hour. The centers will dispatch processed checks to drawee banks around 7:00 a.m. The delivery system has been designed so that the vast majority of items will be in the hands of drawees no later than 11:00 a.m.

Eligible work. Both member and nonmember banks will be permitted to send checks drawn on banks in the same region directly to the centers. Nonmember banks will continue to settle through a member bank's reserve account. However, nonmembers will no longer have to route checks through a member bank's transit department.

Transportation. Each center will operate a regional transportation system that will transport incoming work from strategically-located relays to the center and deliver processed work to drawee banks. Under the plan, the Federal Reserve will absorb all costs of operating these systems. Sending banks will provide for the shipment of incoming work from their respective offices to the point of deposit at a relay station or a center. These transportation networks should significantly improve incoming shipment arrangements and reduce the cost of these

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[7] All of the existing cutoff hours would be retained.

Figure 9

THE PHASE 2
INTERREGIONAL TRANSPORTATION NETWORK

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drawn on that central regional bank. Hence the system could clear items between the five centers in the same manner that a local clearinghouse clears items among its participants.

Implementation schedule. To facilitate an orderly transition, Phase I of the program is to be implemented in a series of steps over a two-year period. The Phase I elements currently under study would be set in motion as soon as possible thereafter.

THE BENEFITS

The regional clearing system will significantly improve check collection in the Fifth District, to the benefit of banks and the general public.

CURTAILMENT OF CIRCUITOUS ROUTING The program's redetermination of clearing area boundaries will sharply diminish the circuitous routing of checks between collecting banks and drawee banks, thereby saving time and reducing shipment costs. While this improvement will benefit banks throughout the District, its impact should be particularly great in the regions to be served by the new facilities planned for Columbia, South Carolina, and Charleston, West Virginia.

FASTER COLLECTION By providing later cutoffs, improving transportation, and reducing circuitous routing, the regional clearing system, in conjunction with the Regulation J revision, will accelerate the collection of many items.

Collection within a region. Many intraregional checks will be collected one day earlier than in the past. As an illustration, assume that a Fredericksburg, Virginia, bank sends a check drawn on a Norfolk bank to the Richmond Office prior to the Monday closing hour. Formerly, the check reached the Norfolk bank on Tuesday and was collected on Wednesday. As a result of the Regulation J revision, the check would now be collected on Tuesday. The regional clearing system will speed up the collection process even further by providing later closing hours for intraregional work. Consequently, the Fredericksburg bank would be able to enter for collection a greater portion of the checks it receives on a given day drawn on Norfolk and other Richmond region points.

Collection between regions. With the implementation of Phase 2 of the program, many interregional items could be collected two business days earlier. For example, suppose that the Fredericksburg bank of the preceding illustration enters a check drawn on an Asheville, North Carolina, bank at Richmond prior to the Monday closing hour. In the past, the check was delivered to the Charlotte Branch on Tuesday, reached Asheville on Wednesday, and was collected on Thursday. The Regulation J revision has accelerated collection to Wednesday. Under

Phase 2 of the regional clearing program, the check would be dispatched to Charlotte by air Monday evening, delivered to the Asheville bank on Tuesday, and collected on Tuesday. Moreover, interregional collection, like intraregional collection, would be facilitated by the proposed later closing hours.

Effects of faster collection. Because it will hasten collection, the new system will reduce the volume of checks in the process of being collected at any given time, thereby reducing commercial bank float and giving collecting banks earlier access to the funds represented by deposited checks. In conjunction with the Regulation J revision, the system should also reduce Federal Reserve float arising in the Fifth District. Finally, faster collection should reduce the incidence of check kiting schemes.

A Summing Up

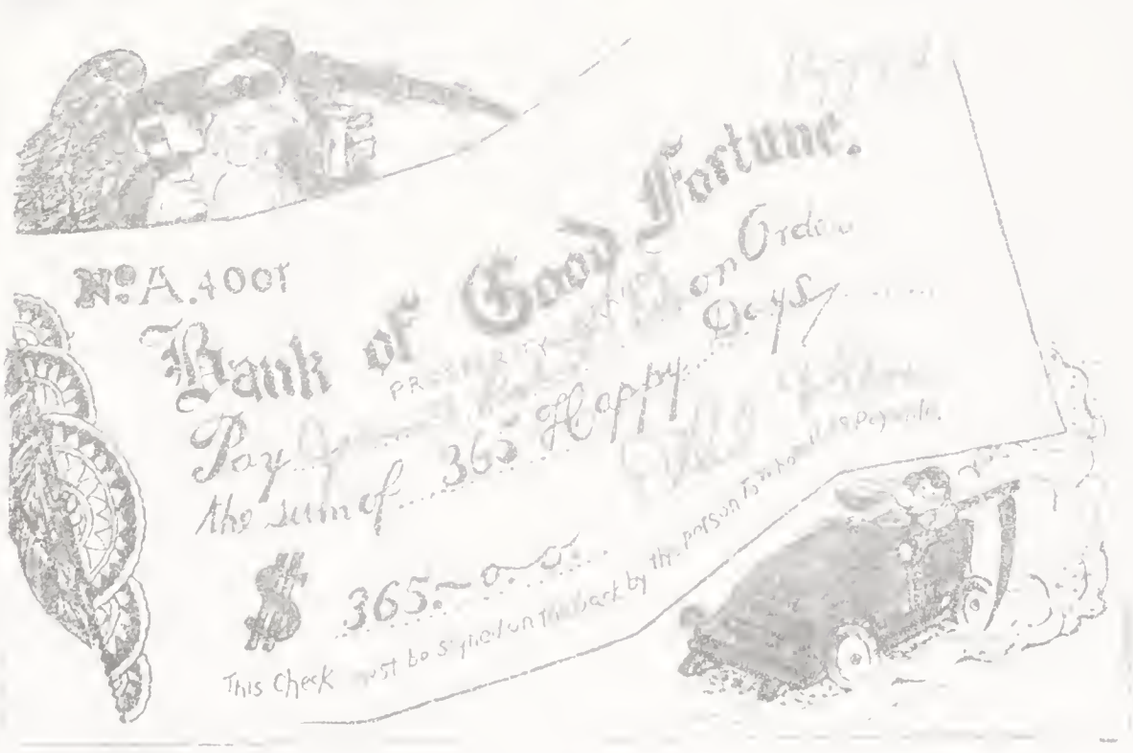
The payments mechanism is to a modern economy what the bloodstream is to the human body. If the mechanism does not function efficiently, the economy it supports cannot operate at full efficiency. For the moment, at least, this nation's payments mechanism is largely a check payments system. Consequently, any evaluation of the performance of the system as a whole is essentially an evaluation of the efficiency with which check transactions are carried out. Moreover, any short-run effort to improve the mechanism must focus its principal attention on check payments.

As indicated by the estimates presented in the first section of this article, the current volume of check payments is, by any standard, staggering. Moreover, volume is certain to increase rapidly during the present decade. Since the era of fully automated payments is not yet at hand, the check payments system must be rejuvenated before it is engulfed.

The existing mechanism comprises a mixture of elements—local clearinghouses, collection through correspondent banks, and collection through the Federal Reserve—that have evolved from a long and tortuous history. The system's principal deficiency is that its structure reflects past rather than present structural conditions in the economy it serves. As a result of improvements in transportation and communications during the past half century, much of the nation's commerce is now regional in character and a pattern of fairly well-defined trade areas has arisen. The collection system needs to be reoriented to fit this pattern.

This Bank's regional clearing program will restructure Federal Reserve collection and clearing services within its jurisdiction. The basic

HOLIDAY "CHECK"


No. A.4001
Bank of Good Fortune.
Pay
The Sum of 365 Happy
$ 365-
This Check must be Signed on the back by the Person to whom it is Payable.

This clever holiday "check" was sent out by the well known team of Christensen and Stone.